



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Dé Céadaoin, 17 Nollaig 2014

Wednesday, 17 December 2014

Chuaigh an Leas-Cheann Comhairle i gceannas ar 9.30 a.m.

Paidir.

Prayer.

Ceisteanna - Questions

Priority Questions

IDA Data

1. **Deputy Dara Calleary** asked the Minister for Jobs, Enterprise and Innovation the number of new overseas offices established by IDA Ireland since 2011; the number of staff in each new office; the number of offices closed during the period; the plans by IDA Ireland to exploit opportunities in the Middle East and BRIC countries; the number of IDA Ireland staff based in Middle East and BRIC countries; and if he will make a statement on the matter. [48392/14]

Deputy Dara Calleary: My first question relates to IDA Ireland's presence in BRIC and Middle East countries. It is a replica of a question that I tabled in January. I would like to know what progress has been made in the intervening period.

Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton): Since 2011 IDA Ireland has opened three additional offices in overseas locations. During 2013 two additional overseas offices were opened, one in Korea and one in Beijing, with one member of staff in each office. In 2014 an additional office was opened in Texas in the United States. It has two staff members. In 2011 IDA Ireland ceased to have a presence in Taiwan, with activity now being managed from China.

The BRIC countries - Brazil, Russia, India and China - form the core countries of IDA Ireland's growth markets strategy, together with the ASEAN region, comprising South Africa, Japan, Korea, Australia and New Zealand. Since 2007 IDA Ireland has opened offices in all of the BRIC countries. The agency now has three offices in China and two in India, as well as having a presence in Moscow in Russia and Sao Paulo in Brazil. These offices are staffed by a combination of permanent staff, contract employees and part-time consultants, numbering 11 in all. In the past three years IDA Ireland has secured an emerging base of investments from

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India - HCL, Wipro, TCS and Genpact - and China - Huawei, ICBC, CDB and Satir - and was integral in facilitating the acquisition of Air Atlanta's aero-engineering facility at Shannon by the Russian airline Transaero.

Although IDA Ireland does not have an office in the Middle East, I am informed by the agency that its growth markets team in Dublin, in conjunction with its international financial services division, works with the embassy network in the region to identify and target prospective client companies, particularly in the growth area of Islamic finance.

One of the disruptive reforms set out in An Action Plan for Jobs 2014 is the Winning Abroad initiative which targets the creation of an additional 10,000 jobs - 6,000 direct and 4,000 indirect - over and above the annual jobs target of 13,000. Additional resources have been provided for IDA Ireland to enable the agency to recruit an additional 35 staff on a contract basis for a period of three years to cover the lifetime of the initiative. The additional staff will be based at various locations, including Boston, New York, Chicago, Atlanta, Austin, Mountain View, Irvine, London, Frankfurt, Paris, Tokyo, Shanghai, Sydney and Dublin. To date, 21 staff have been recruited and interviews are ongoing to fill the remaining positions.

One of the high level goals set out IDA Ireland's strategy document, Horizon 2020, for the period 2010 to 2014, is that of achieving 20% of greenfield investment from high growth markets, including the BRIC countries, by the end of 2014. The agency informs me that it is confident that this target will be achieved.

Deputy Dara Calleary: I ask the Minister to provide more detail on the question of meeting the 20% target. He has said IDA Ireland is "confident" that it will be achieved, but it only has two weeks in which to do so. Is there any monitoring by the Department of IDA Ireland in reaching the target?

On the 35 new staff recruited, I notice that the BRIC markets are well down the priority list. While I welcome the investment in North America, we already have a very strong and successful presence there. Is there merit in placing the greater proportion of the additional staff in the growing markets, that is, the BRIC countries, rather than in ones in which we are very well covered? The President has just concluded a very successful visit to China, to where I know that there have been a lot of trade missions. However, the key to success, particularly in China but also in the other BRIC markets, is having a presence and active and ongoing engagement. While high profile visits are very beneficial and often very successful, we need boots on the ground constantly. In the context of the aforementioned 35 new staff, should the emphasis be on the BRIC countries?

Deputy Richard Bruton: I can report good progress in meeting the 20% target. In 2011, 8% of greenfield investment came from high growth markets, while the figures for 2012 and 2013 were 14% and 16%, respectively. IDA Ireland is confident that it will hit the 20% target this year. There are still a number of investments yet to be considered by the board of IDA Ireland; therefore, the definitive figure for 2014 will not be known until after the board's last meeting of the year which will be held next week.

I take the Deputy's point about focusing on emerging markets. There is always a balance to be struck between new areas that will be high-growth in the future and existing areas that are yielding a very high investment. That is one of the areas IDA Ireland is examining very closely in its current strategy. Clearly, there is merit in opening up these new markets, given that 90%

of future growth is projected to take place outside the European Union, particularly from the ASEAN region. It is, however, a question of striking a balance. It is important to note that 70% of the flow of investment is still coming from the USA; therefore, we cannot neglect growth areas within that country. Clearly, growth has shifted from the traditional east coast locations to other parts of the United States such as Texas which we are targeting, as well as areas in the south east such as Raleigh. There is a response in areas of opportunity.

Deputy Dara Calleary: I wish to ask about the relationship between the Department of Jobs, Enterprise and Innovation and the Department of Foreign Affairs and Trade. In the context of trade being the responsibility of the Department of Foreign Affairs and Trade for the past three years or so, what monitoring takes place of the economic wing of that Department? What is the level of monitoring of economic promotion and investment work undertaken by embassies, particularly in the BRIC countries? Is the Minister confident and happy with the relationship between his Department and the Department of Foreign Affairs and Trade?

Deputy Richard Bruton: As the Deputy knows, when his party was in government, the Export Trade Council was established. One of the initiatives in our programme for Government was to include private sector members in the council. The council meets quarterly and closely reviews progress made across all of the agencies, not just those under the aegis of my Department, including, for example, Bord Bia, Fáilte Ireland and so on. It is working well and all of the agencies are reporting that they are exceeding their targets, with the exception of those involved in the tourism sector which was hit very hard in one year but which is doing really well in recovering markets. Increasingly, an Ireland House-Team Ireland approach is being adopted. There is, however, further work to be done in looking at individual countries and delivery of plans within these countries. That is one of the ambitions of the Export Trade Council, namely, to look in a more granular way at individual markets and build on the success of this approach.

Property Market Issues

2. **Deputy Peadar Tóibín** asked the Minister for Jobs, Enterprise and Innovation in view of the growing difficulties within the commercial property sector, the steps he is taking to ease cost competitive disadvantages and create jobs in construction industry. [48458/14]

Deputy Peadar Tóibín: A crisis is developing in the property sector. House prices are rising in the Dublin area at a faster rate than during the craziest days of the Celtic tiger. This has the effect of denying many people homes, increasing pressure on wages and making the city of Dublin and surrounding areas very uncompetitive. Since the crash, access to commercial property is drying up within the State for some of the same reasons as residential property. There are difficulties with regard to the cost of development and access to finance for organisations. That is creating strain within the FDI sector and within the indigenous enterprise sector, as they search for space.

Deputy Richard Bruton: The house price issue will have to be directed to another Minister, but I can deal with the issue the Deputy inquired about on the commercial property sector. The Central Bank noted that 2013 saw the largest investment in commercial property since 2007, at €1.8 billion, with 60% in the office market, and that investment activity has remained strong into 2014. The growth in demand for office accommodation in particular is due in part to our continued success in attracting new foreign direct investment and the recovery in the economy more generally.

The availability of cost-effective and flexible property solutions continues to play a key role in supporting the delivery of FDI into Ireland. Many recent investments won, including West Pharma in Waterford, LinkedIn and Novartis in Dublin, Apple in Cork, Regeneron in Limerick, Jazz and Alexion Pharmaceuticals in Athlone and eBay and Paypal in Dundalk, among others, had significant property and infrastructural requirements that were a key component of their business case and rationale for investing in Ireland.

In the larger urban centres, the availability and supply of grade A office accommodation is a challenge in an environment of ongoing demand, particularly from FDI, diminishing availability and a lack of substantial speculative development. These issues have led to rental inflation in Dublin, Galway and Limerick during 2014, with prime rents relatively stable in the Cork market.

The autumn review of the Irish office market by DTZ Sherry Fitzgerald estimates that the current office vacancy rates range from 11.8% in Galway, 14% in Dublin and 18% in Cork to 20.5% in Limerick. In terms of new construction of office accommodation, DTZ estimates that 8,500 sq. m of office space is under construction in Galway and 16,000 sq. m in Cork, while in Limerick, 13,300 sq. m is under construction, and in Dublin an estimated 22,500 sq. m is under construction. The agencies of my Department, particularly IDA Ireland, are in continuous dialogue with key stakeholders in the property market to ensure the required competitive property solutions are available in the short and medium term.

While the office market nationally is leading the way in terms of recovery, with overseas investors such as Kennedy Wilson and Blackstone and the likes of NAMA investing in substantial commercial developments across the country - for example, the Dublin strategic development zone, Bolands Mills, and Albert Quay in Cork - there are also significant opportunities to refurbish older buildings nationally, which could increase the supply of commercial stock suitable for FDI and allow us to maintain competitiveness over time.

Additional information not given on the floor of the House

In May 2014, the Government published Construction 2020 - a Strategy for a Renewed Construction Sector, which contained a detailed programme of work, including 75 time-bound actions across a range of issues including housing, the planning process, availability of financing, monitoring and regulating the sector, and ensuring that we have a highly skilled workforce and opportunities for construction jobseekers. The latest data from the CSO shows a significant recovery in construction employment as the sector responds to an upturn in demand.

Deputy Peadar Tóibín: The housing market is a dysfunctional market currently. While it is not directly the responsibility of the Minister, thousands of jobs could potentially be created within the housing market if this dysfunction was resolved. I ask the Minister to focus on the area in the Action Plan for Jobs, which is meant to be a cross-departmental plan. Vacancy rates for commercial property are falling. We will have a problem if this country cannot continue to supply commercial property to indigenous and FDI companies. They will not necessarily relocate to another part of the State; they will relocate to another country. The IDA has sought to develop new advance factories in a number of different locations. However, 23 counties will not have such factories, which will be a challenge for them. In Meath, for example, we are told regularly that there is not enough space for large firms to move there. I am sure Louth has similar troubles.

An Leas-Cheann Comhairle: I thank the Deputy.

Deputy Peadar Tóibín: I wish to refer to four issues briefly. Improved access to finance for developers locally is important to ensure they can build facilities to take the pressure off the Government. NAMA is not resolving its processes properly at the moment. The planning regime in the State is not suitable for current needs, nor is the supply chain within the construction industry suited to addressing the demand for commercial property.

Deputy Richard Bruton: I agree with the Deputy. That is the reason the Government published *Construction 2020*, which is the strategy for renewing the construction sector. It contains a detailed programme of work, including 75 time-bound actions across the issues the Deputy raised. They cover housing, the planning process, the availability of financing, monitoring and regulating the sector, and ensuring that we have a high skilled workforce and opportunities for jobseekers. This area is benefitting from a concerted approach. We are taking the same approach that we adopted in the Action Plan for Jobs, with time-bound actions that are regularly monitored. In terms of the impact, it is encouraging to see that the latest data from the CSO show a significant increase in the number of people at work in construction - well over 6,000 in the past 12 months. It is a sign that the construction sector is recovering. However, I recognise that there have been difficulties in the recovery, and the Government has sought to intervene to deal with some of the issues the Deputy has raised.

Deputy Peadar Tóibín: I am talking about workers in the construction industry. That side of the whole process is in chaos at the moment. As the Minister is aware, the instability arose from the Supreme Court decision in 2013 on registered employment agreements, REAs. Currently, there are widespread abuses within the construction industry in terms of the National Minimum Wage Act, relevant contracts tax, RCT, and pay and conditions, among other areas. That is creating enormous tensions for employers who are doing the right thing and therefore operating on an uneven playing field and workers who are trying to do the right thing. On the other side, one has unscrupulous employers and problems with RCT. The Government is failing to ensure compliance.

Contracts for public works contain measures relating to rates of pay and conditions of employment certificates. If compliance was sought and the certificates were properly regulated it would significantly resolve some of the disasters that are currently taking place. Men and women within the construction industry currently earn far less than the minimum wage. Those individuals are being supplanted every week in this country. One example I have brought to the attention of the Minister is that of the Kishoge community college site. If J.J. Rhatigan is involved in that type of practice at the Kishoge site, there is no doubt it must be happening in the large number of other sites on which he currently has building contracts from the Department of Education and Skills.

Deputy Richard Bruton: If, as the Deputy says, there are cases in which the national minimum wage is not being paid, NERA will investigate. There are other cases that the Deputy has brought to my attention, which relate to the terms of employment. I understand the scope section of the Department of Social Protection is investigating them. The law in that regard is well established.

With regard to registered employment agreements, we are drafting legislation that will withstand constitutional challenge. The Minister of State, Deputy Nash, is working on that. We believe we are at a very advanced point in the development of the legislation, which we are

treating as a high priority. Clearly, there are issues in this sector as it emerges from the crash that it has experienced, but the Government is taking concerted action as part of a solid programme to address all of the issues raised by Deputy Tóibín - the REAs, the planning system and access to finance.

Trade Agreements

3. **Deputy Paul Murphy** asked the Minister for Jobs, Enterprise and Innovation if he has received a response to the letter that he co-signed, dated 21 October 2014, to the Commissioner-designate for Trade, Cecilia Malmström, regarding the Transatlantic Trade and Investment Partnership; and if he will make a statement on the matter. [48248/14]

Deputy Paul Murphy: I wish to ask the Minister about the letter of 21 October 2014 to the trade Commissioner, which he co-signed with a number of other trade Ministers across Europe. The essence of the letter was to argue for the maintenance of the investor-state dispute settlement, ISDS, mechanism, which gives privileged access to corporations to justice against states that attempt to regulate in the EU-US free trade agreement, the so-called TTIP. Did the Government give the Minister a mandate to sign the letter? Is it the official Government position to argue for the inclusion of ISDS, and has there been a response yet from the trade Commissioner?

Deputy Richard Bruton: The purpose of the negotiations on the Transatlantic Trade and Investment Partnership, TTIP, is to reduce barriers to trade and investment in order to generate jobs and growth. According to assessments made by the European Commission and other European bodies, a comprehensive TTIP could over time boost the EU's GDP by 0.5% per annum, resulting in 400,000 additional jobs across the EU. The gains for Ireland could be double that in proportionate terms because of the significant flows of trade between Ireland and the US.

Ireland was one of 14 EU member states that wrote to the new Commissioner for Trade, Cecilia Malmström, expressing the view that the public consultation on investor protection in TTIP held earlier this year was an important step in seeking to strike the right balance and that stakeholders' contributions should be carefully considered before a firm decision is reached on the way forward. While no reply has issued to the letter, I am aware that the results of the consultation will be made available soon.

The aim of the investment protection chapter of the EU's free trade agreements is to provide EU investors abroad with a level of protection similar to that which would obtain within the EU.

In respect of inward investment, Ireland guarantees investors in Ireland that they will not be treated in a discriminatory manner. The protection is provided by virtue of our Constitution. However, all other EU member states have bilateral investment treaties with third countries that include investor-state dispute settlement, ISDS, arrangements. Nine member states have such treaties with the US. TTIP would replace these with a single arrangement. Ultimately, an EU mechanism would provide a uniform system of guaranteed fair and equitable treatment for investors across all EU member states.

International experience with ISDS points to a wide disparity of bilateral investment agreement provisions, and some cases taken by investors under some of these have brought criticism on the mechanism. TTIP and other agreements provide an opportunity for the EU to make improvements that address the weaknesses identified in those other cases.

The mandate for negotiation has made it clear that the objectives of any investment protection provisions would be without prejudice to the right of the EU and the member states to adopt and enforce measures necessary to pursue legitimate policy objectives, such as social, environmental or security objectives, stability of the financial system, or public health and safety, in a non-discriminatory manner.

Additional information not given on the floor of the House

In the case of the recently concluded negotiations between the EU and Canada, for example, a breach of the fair and equitable treatment obligation could only arise when there is denial of justice in criminal, civil or administrative proceedings; a fundamental breach of due process, including a fundamental breach of transparency, in judicial and administrative proceedings; manifest arbitrariness; targeted discrimination on manifestly wrongful grounds, such as gender, race or religious belief; or abusive treatment of investors, such as coercion, duress and harassment.

In addition, in the Canada agreement, there is provision for a list of arbitrators pre-agreed by the EU and Canada. In case of disagreement between the disputing parties, the arbitrator will be selected from this list. This ensures that the EU or Canada has always agreed to at least two of the three arbitrators that will act under agreement and will have vetted them to ensure that they live up to the highest standards.

Ultimately, and only after prior consultation with member states and in accordance with the EU treaties, the inclusion of investment protection and ISDS in TTIP will depend on an outcome satisfactory to the EU in meeting its interests both in relation to investment protection and in view of the final balance of the agreement as a whole.

I recently met the US Trade Representative, Mike Froman, who told me that the US also sees the need for major improvement in the terms of ISDS. He reminded me that the US also has a strong interest in ensuring that the right of the US Government to regulate in the public interest is fully respected.

Deputy Paul Murphy: I would be highly sceptical of the promised growth figures from the Commission. Similar figures promised for the North American Free Trade Agreement, NAFTA, never materialised - in fact, a million jobs disappeared. Professor Clive George, who has previously done impact assessments for the European Commission, has noted that its model is highly speculative and said that the actual likely increase in growth rate is 0.01% per year over a ten-year period. Why do we need these for certainty of investment? Does the Minister think there is a fundamental flaw in the US justice system? Does he think there is a fundamental flaw in the European justice system? Why is the regular access to justice that any ordinary person can get not good enough for the corporations? Why do the corporations want to have the right, and why does the Minister want them to have the right, to sue in private tribunals where they get to choose the arbitrator? They pay them an average of \$3,000 per day and get to invoke causes such as indirect expropriation, in the case of a challenge to fracking in Canada, where a corporation, Lone Pine, is suing for almost €200 million because of a moratorium on fracking. There are also challenges against a moratorium on nuclear power in Germany and challenges by the cigarette industry.

Deputy Richard Bruton: First, the EU has made provision that such hearings will not be in private and the individuals involved will not choose the arbitrators. The choice of arbitrator

will be by the two sides - the European Union and the US, if the US is involved. On the question of why such protections are necessary, the EU is seeking to set up investment agreements with many countries, including China, Korea and Singapore, and in many of these countries the body of law that one would need has not yet been developed, so there is clearly a case for investor protection. In the case of the US, they obviously want us to have uniformity across the EU, but the EU in its negotiating mandate has sought to ensure that European interests are protected by insisting that freedom of public policy will be guaranteed so that one can introduce regulation in those areas. The Canada agreement is a good model. A challenge can be brought under these systems - these are listed - where there has been a denial of justice in criminal, civil or administrative proceedings, a fundamental breach of due process, manifest arbitrariness, targeted discrimination on manifestly wrongful grounds or abusive treatment of investors. Clearly, those are protections that could reasonably be put into an agreement. It is important to bear in mind that we are negotiating with a sovereign government in the US and it, equally, is determined to ensure its freedom to regulate. This is an area where there is a mutual interest in having fair protection in such trade agreements.

Deputy Paul Murphy: When I worked in the European Parliament, I heard this argument again and again for ISDS in the case of trade agreements with countries with undeveloped legal systems. That was the argument put forward, but the US, which has the most developed legal system in the world, and, similarly, the EU are still arguing that corporations have special rights, rights that are not afforded to ordinary people in either bloc. This is a right of corporations to sue states that interfere with their right to make a profit. Does the Minister agree with the right of corporations to sue for what is known as indirect expropriation? Does he consider that our attempt to legislate for plain packaging for cigarettes could be challenged, as is currently happening under such agreements, with Philip Morris suing Uruguay and Australia? What is happening here is that the right to profit is being put above the right of states to regulate in the interests of public health, the environment and workers' rights, and it also represents a fundamental attack on our right to democratically discuss and decide on these policies, as opposed to allowing corporations to set the rules in private tribunals.

Deputy Richard Bruton: The Deputy may have listened to debates in the European Parliament, but it does not sound like he learned anything from them, because the mandate specifically excludes all those social protection areas. Countries will have the right to pursue public policy objectives in all these areas under a model such as that set out with Canada. The Canada agreement has an investor protection mechanism, and environmental protection is perfectly within the rights of governments. Clearly, investor protection is an important part of any trade agreement. If one is investing, one wants to ensure - I listed the items - that one is not arbitrarily discriminated against. It is quite reasonable to put such protections into EU agreements. They are in the Canada agreement and they will be in all future agreements. Under the Lisbon treaty, we have given the European Union the ability to negotiate such protections. They give our investors certainty in the countries in which we invest, and the same is true of the parties with whom we are negotiating. Investors, including Chinese or Indian investors who do not have familiarity with our legal system, will want to see that the basic ingredients are protected, and that is the purpose of these mechanisms.

An Leas-Cheann Comhairle: Thank you, Minister. We must move on.

Enterprise Support Services Provision

4. **Deputy Dara Calleary** asked the Minister for Jobs, Enterprise and Innovation how his

Department will seek to support Irish-owned manufacturing firms to achieve growth in the domestic and export markets; and if he will make a statement on the matter. [48393/14]

Deputy Dara Calleary: Our manufacturing sector is under huge pressure at present while gaining from the so-called recovery. What actions is the Department taking in regard to costs and ensuring that we have a proper skills base for any growth that takes place? What supports is the Minister willing to put in place for start-up manufacturing industries around the country?

Minister of State at the Department of Jobs, Enterprise and Innovation (Deputy Gerald Nash): As Deputy Calleary knows, the Minister, Deputy Bruton, commissioned a major report on the strategy for the manufacturing sector, which was published in April 2013. The strategy identifies an additional 20,000 jobs that can be created in manufacturing by 2016 and proposes key actions across a range of areas, including access to new funding, management training and support, cost reduction, the adoption of technology, and the implementation of a national step change initiative. The key issues arising from this strategy are being pursued through the Action Plan for Jobs process. In addition to developing the manufacturing strategy, the Government has also initiated research on the specific skills needs of the manufacturing sector up to 2020, and this work was completed in 2013 by the Expert Group on Future Skills Needs. That report identifies what needs to be done regarding training and skills development for the sector. A wide range of recommendations are made and work is already under way to address some of the recommendations in that report.

Under action 49 of the Action Plan for Jobs 2014, Enterprise Ireland is tasked with specifically identifying and working with a group of mid-sized manufacturing firms - initially 12 - to secure their commitment to achieve significant growth over the next five years. Management development, benchmarking and strategic reviews and lean business programmes will form the basis of this suite of supports. This action has already been delivered. Furthermore, a targeted call for innovation vouchers for the manufacturing sector also took place.

Further commitments specifically relating to the manufacturing sector and focusing on competitiveness, access to finance and supply chain opportunities will be continued in the Action Plan for Jobs 2015, which will be launched early in the new year.

As the Deputy knows, the manufacturing base is very diverse and includes companies in the food, construction materials, medical devices and engineering sectors. Many of the supports required or sought by Irish-owned manufacturing companies are relevant for companies across the indigenous enterprise base. To assist both manufacturing and internationally traded service companies in achieving growth, Enterprise Ireland provides the supports for internationalisation, access to finance, capability and management development, competitiveness, innovation and so on.

Deputy Dara Calleary: How many of the 20,000 jobs that were due to be created by 2016, which is only a year from now, have been created? On skills needs, feedback is beginning to come through from employers in manufacturing, but also across all areas, is that it is getting more difficult and costly to find the skills they need as the economy grows.

10 o'clock

Third, we had a discussion with the Minister, Deputy Richard Bruton, about costs, in particular State-controlled costs, about which the Government has done nothing. It has been highlighted by the National Competitiveness Council, for example, that nothing has been done

about energy or legal costs.

On access to finance, I again welcome the improvements in the terms of Microfinance Ireland, but we are now at the end of a parliamentary session in which we were promised reform of the credit guarantee scheme, which is particularly relevant to manufacturing. Where is that legislation? It was due to be passed before the end of the session. It is a particular support that manufacturing needs.

Deputy Gerald Nash: Manufacturing has been an important sector in Ireland since the 1960s when it was ramped up. However, there has been a noticeable decline in employment in the sector in recent years and, in fact, dating back to the 1980s. There has been a similar trend across the developed world; other industrialised countries such as Germany, the USA, the Netherlands and Korea have experienced similar rates of decline. Employment in the sector in Ireland suffered a major shock between 2008 and 2010 when approximately 50,000 people lost their jobs. However, in 2011 and 2012 there was a net increase of 3,700 jobs in the sector and that trend is continuing. Enterprise Ireland and IDA Ireland figures show that 211,100 people are directly employed in the sector. Nonetheless, there is undoubtedly a challenge around skills availability, something the Minister of State, Deputy Damien English, is addressing. In terms of-----

An Leas-Cheann Comhairle: I will come back to the Minister of State.

Deputy Dara Calleary: I want to reiterate my original questions. Where are we in reaching the 20,000 target to be achieved by 2016 and with regard to the credit guarantee scheme? What are the Minister of State's views on the cost base which is directly within the control of the State and State agencies, given that it will impinge on the Government's efforts in reaching any employment target if it is allowed to continue as it is?

Deputy Gerald Nash: There have been increases in manufacturing, particularly in the agribusiness and food sectors. There would have been a concern about the patent cliff, but pharma is performing extremely well, too, as we can see in the job announcements made recently. Early in the new year Enterprise Ireland will launch its results for this year and I expect them to be very positive. I do not have available the precise figures the Deputy is seeking, but I will forward them to him.

To return to the skills piece, an apprenticeship call will be made very shortly because there is a gap. This will be important across the country in providing opportunities for young people to have a career in manufacturing and try to address the skills needs the industry has identified to me, the Minister, Deputy Richard Bruton, and others. Of particular importance is the need to address the pinch-points in apprenticeships, for example, in the case of polymers and tool-making, to set out and promote career paths in manufacturing. We will be working very closely with industry, SOLAS and the education and training boards to address the manufacturing skills supports the industry needs.

Wage-setting Mechanisms

5. **Deputy Paul Murphy** asked the Minister for Jobs, Enterprise and Innovation in view of the OECD Employment Outlook 2014 which found that Ireland had the second highest percentage of low-paid jobs in these countries; his views in favour of raising the minimum wage; and

if he will make a statement on the matter. [48249/14]

Deputy Paul Murphy: I want to ask the Minister of State about the recent OECD Employment Outlook 2014 which found, among other things, that Ireland had the second highest percentage of low-paid jobs among the countries of the OECD, second only to the United States. Is that the model of recovery of which the Government is in favour, namely, low-wage, precarious, short-term contracts, or, in other words, recovery for the rich and corporations at the expense of working people? Is the Minister of State in favour of wage rises generally across the economy, in particular a rise in the minimum wage?

Deputy Gerald Nash: The OECD Employment Outlook 2014 contains data on the incidence of low and high pay in OECD countries. In this context, the report defines the incidence of low pay as referring to the share of workers earning less than two thirds of median earnings. It ranks Ireland in fourth position, not second, with a figure of 21.8%, behind the United States, Korea and Israel, with figures of 25.3%, 25.1% and 22.1%, respectively, followed closely by Canada, at 21.7%, and Poland, at 21.6%. Significantly, it also shows that Irish average earnings in 2013 were the sixth highest among the 34 countries compared in terms of purchasing power parity.

The national minimum wage in Ireland is relatively high by international standards. The most recent figures published by EUROSTAT show that Ireland's rate is the fourth highest among the 21 EU member states that have a national minimum wage. When the cost of living is taken into account, Ireland's rate is the fifth highest. The most recent figures from the Central Statistics Office's quarterly earnings hours and employment costs survey show that 4.7% of all employees, or just over 73,000 workers, were being paid the adult experienced national minimum wage of €8.65 per hour, or less, in the second quarter of 2014.

In the first instance, the decision to restore the national minimum wage to €8.65 per hour with effect from 1 July 2011, together with the decision to put the joint labour committee system on a more secure legal and constitutional footing and reinstate a robust system of protection for workers, represented a significant commitment by the Government to protect the lowest paid and most vulnerable workers. Second, as the Deputy will be aware, there is a commitment in the statement of Government priorities to establish the Low Pay Commission on a statutory basis as an independent body to make annual recommendations to the Government about the appropriate level of the minimum wage and related matters. With a view to ensuring it is in a position to carry out its functions as soon as possible, I am in the process of establishing the commission on an administrative basis. Legislation to provide for its establishment will be brought forward early next year to place it on a statutory footing.

Deputy Paul Murphy: It is difficult to dispute the fact that the problem of low pay is rife in Ireland. It can be compared in many ways, but let us compare it across the European Union, in which, compared to EU15 countries, the level of Irish wage compensation in the private sector is 14% below average; compared to other EU countries not in a bailout programme, the level in Ireland is 21% below average, and compared to economies which are small and open such as some of the Nordic countries, in particular, the level in Ireland is 30% below average. Ireland, therefore, has a problem with low pay. One result is that one in four families with at least one person in work suffers from multiple deprivation experiences, while 16% of employees live below the poverty line. We have the creation of a sector of the workforce that is incredibly low paid, work that is subsidised by the State, given that low-pay employers are being subsidised by the State through the likes of family income supplement. Surely the Government has to do

something about this. I argue that wage rises are a much more effective way of targeting the issue than tax cuts.

Deputy Gerald Nash: I certainly support wage rises in profitable companies and where circumstances allow. To answer the Deputy's question concisely about where I stand on the national minimum wage, clearly, we are in the process of setting up the Low Pay Commission. I am in favour of ensuring changes to the national minimum wage on a progressive basis where circumstances allow. While clearly we are creating jobs across the economy, recovery should not be allowed to be characterised by any class of a race to the bottom. It is very important that people's pay and terms and conditions are protected and secured and we are taking measures to ensure this is the case. That is why we have re-established the joint labour committee system, why we are working to reinstate registered employment agreements and why we are making significant progress in dealing with Ireland's collective bargaining laws. We need to do this. We need to make sure the jobs we are creating are decent and sustainable and that people are well paid.

Deputy Paul Murphy: The problem is that the Government is not a neutral bystander. It has and implements policies that encourage the creation of a very low wage sector in the economy, many of which represent subsidies to employers. One example I have raised repeatedly is JobBridge, which directly costs the State approximately €60 million a year in payments to those participating in the scheme but which costs the State multiples of that amount in lost employers' PRSI payments and employee income taxes by allowing companies to benefit from free labour. What has happened in this country, under the guise of the crisis and the need to improve competitiveness, is that the share of wages relative to profit has continued to plummet. The IMF found that Ireland had witnessed the largest decline in the share of labour among the industrialised countries between 1970 and 2012. That process has continued and it can only be reversed by a strong trade union movement but also by legislation introduced by the Government on the minimum wage.

Deputy Gerald Nash: The last thing I can be accused of is shying away from my responsibilities to protect the interests of low paid workers by ensuring the jobs we create pay well. We are revising and reframing the legislative framework to ensure we can do this. Since Deputy Paul Murphy arrived in the House a few weeks ago, I have not found him engaging on these issues to ensure we can develop the framework that those on the left and everybody else in society want to see in protecting people's incomes, promoting employment growth and ensuring the jobs we create are decent and sustainable. I encourage Deputy Paul Murphy and others who profess to be of the left in this House to engage with the Government. They should not be immune from actually supporting a Government initiative to deal with matters such as the national minimum wage, joint labour committees, registered employment agreements and collective bargaining. I look forward to the Deputy's positive engagement on that front.

Other Questions

Job Losses

6. **Deputy Denis Naughten** asked the Minister for Jobs, Enterprise and Innovation the steps he is taking to secure jobs at the MBNA site in Carrick-on-Shannon, County Leitrim; and if he will make a statement on the matter. [48000/14]

Deputy Denis Naughten: At the end of last month MBNA closed its facility in Carrick-on-Shannon and the final 160 staff were laid off. At its height MBNA employed 1,100 people in Carrick-on-Shannon. While it is all well and good to see job creation and job announcements on the east coast, the reality is that parts of my constituency have been decimated by unemployment, particularly in a town such as Carrick-on-Shannon. What is the Minister doing to try to secure an alternative employer for the town?

Deputy Richard Bruton: I share the Deputy's concern about the loss of any job but particularly the loss of a job in a town such as Carrick-on-Shannon in which MBNA had been such a major employer. A series of actions are being implemented by local and national bodies to source an alternative employer and find alternative employment for those impacted on by the MBNA redundancies which, unfortunately, took effect on 28 November. An inter-agency group led by Enterprise Ireland has been formed and its membership includes representatives of all the relevant State players. The group has met on a monthly basis and is providing for the taking of a co-ordinated approach to meeting the needs of the affected staff and ensuring all necessary steps are put in train to pursue an alternative investor. I have kept in regular contact with our agency representatives on the group.

The activities of the group include the following. Details of staff skills and the capabilities of the facility have been collated. IDA Ireland, with MBNA-Bank of America, has produced a marketing pack for potential investors. The global IDA Ireland team continues to market the MBNA facility to a range of potential investors through its network. Enterprise Ireland is marketing the facility to its client base. There has been a small number of preliminary inquiries about the facility, both from foreign-owned and Irish-owned businesses, but it is too early in the process to be specific about their potential.

The work of the inter-agency group will continue and IDA Ireland and Enterprise Ireland will work to market the MBNA facility to a range of potential investors and to respond to requests for information from potential interested parties.

Deputy Denis Naughten: I bring the Minister back to his comment that there has been a small number of preliminary inquiries about the facility, both from foreign-owned and Irish-owned businesses. He gave me that comment in the House three months ago. What progress has been made in moving forward any of these preliminary inquiries in the past three months?

Deputy Richard Bruton: There are a number both on the Enterprise Ireland side and the IDA Ireland side. These are still active and the leads are still very much alive. Many of them hinge on the key requirement of winning an additional contract. As the Deputy knows, when MBNA withdrew, it did not leave behind a body of work that a new investor could simply take up as its starting point. That is undoubtedly a constraint that needs to be worked through. There have been a number of site visits by the interested parties with which both IDA Ireland and Enterprise Ireland are continuing to work. I have met representatives of the local authority and the county manager. The Minister of State, Deputy Simon Harris, has also had meetings on opportunities either in the financial services or procurement area. We are actively pursuing every opportunity; it is not a case of there being any loss of attention to it. I keep in regular contact with the team and we will do our very best to find something.

Deputy Denis Naughten: The Minister is correct in saying MBNA did not leave behind a body of work. However, it had a body of work on offer for sale for the two years prior to its announcement that it would close. The inter-agency group was established after MBNA

announced it would close the facility in November. Should that group have been established when Bank of America announced it was getting out of the business in Carrick-on-Shannon and looking for a potential buyer? The agencies sat back rather than being proactive and establishing the inter-agency group at that stage when there was a body of work that might have attracted an alternative employer.

Deputy Richard Bruton: That is not accurate. IDA Ireland was very active with Bank of America in the process of seeking a buyer. Clearly, that issue was pursued, both nationally and internationally. As the Deputy knows, they succeeded in finding a buyer for the domestic book but not for the UK book. From the MBNA's point of view, declining volumes of activity and its very substantial site in Chester resulted in it making a decision that we could not overcome. The point about the inter-agency group is that obviously there are new needs in terms of the role of social protection, training and other bodies in that context. There was very active engagement. I engaged frequently with Bank of America during that process as it sought interested buyers for the book. Clearly, there is a very talented workforce with a very high level of experience in terms of compliance in the financial sector. We continue to work really hard to pursue an opportunity.

Deputy Denis Naughten: I thank the Minister for the interest he has taken in the issue and know that IDA Ireland has been pushing the issue internationally. I ask the Minister to take a personal interest in the matter in the coming months. There is a very tight window if we hope to attract an alternative employer. The financial services sector in Dublin is expanding rapidly and there is a squeeze on available staff in the Dublin region. There is, however, a window of opportunity to source an alternative employer to be located in Carrick-on-Shannon. I urge the Minister and the Minister of State, Deputy Simon Harris, to redouble their efforts and try to source an alternative employer for this location in the near future.

Deputy Richard Bruton: I accept that. One of the avenues we are exploring is to see if there are companies with established businesses that are in an expansion phase and would consider this a suitable location to complement what they are already doing at other locations such as Dublin. We are actively pursuing that issue.

Industrial Development

7. **Deputy Mick Wallace** asked the Minister for Jobs, Enterprise and Innovation when the regional enterprise strategy will be implemented in the south-east region, in particular in County Wexford; the number of jobs it will bring to County Wexford; and if he will make a statement on the matter. [48149/14]

Deputy Mick Wallace: I raised a similar question two years ago when the Minister advised that the Government was intensively considering what the agencies could do to promote employment growth in the south east and support business start-ups. Sadly, things have got worse, rather than better. What is the Government's strategy to attract jobs to a place such as Wexford?

Deputy Richard Bruton: While I cannot remember the date, of course, I have established a south-east action plan in the intervening period. As the following reply will indicate, considerable work has gone into that plan.

The aim of An Action Plan for Jobs is to help enterprises to create employment in all regions

of the country. If we are to do this successfully, it is important that each region build on its particular strengths and assets to provide an environment that stimulates entrepreneurship and attracts both indigenous and foreign investment.

Under An Action Plan for Jobs 2014, my Department has developed a framework for the preparation of regional enterprise strategies which will be used to produce action oriented plans to support enterprise growth and job creation in the regions, commencing with the midlands. The strategy for the midlands will be launched early in the new year and my intention is to commence the preparation of a strategy for the south-east region immediately after that. The enterprise strategy for the south east will build on the south-east region employment action plan which was developed following the closure of TalkTalk in 2011. It will involve consultation with stakeholders in both the private and public sectors in the region.

The development of regional enterprise strategies is not about setting targets for job creation on a county by county basis; rather, it is about identifying the strengths and opportunities within each region and assisting the regions to deliver on their potential for economic development. This will be achieved through better co-ordination and collaboration by all actors operating within the region. The south-east forum, which I established to help pursue the implementation of the plan, has been a helpful model to inform our approach.

Since the start of the Action Plan for Jobs process in 2012, employment nationally has increased by approximately 80,000. Employment in the south-east region has increased by 21,300 since the first quarter of 2012 and the unemployment rate has fallen from 20.1% to 13.7%, the largest decrease in all of the regions. While this represents good progress, the unemployment rate for the south east, as well as for some other regions, is still above the national average. That is why we are developing these new regional enterprise strategies.

Deputy Mick Wallace: The Minister quoted figures for the south east but those relating to Wexford itself are dramatically worse. We have a major problem in that we are very dependent on foreign direct investment for any kind of manufacturing jobs. This is because successive Governments have failed to invest in indigenous industry for many years. In the lifetime of the current Administration, Wexford has been the subject of five IDA Ireland-sponsored visits involving potential investors, whereas some 59 visits have been made to Waterford and 710 to Dublin. Obviously, the population of Dublin is eight times that of Wexford but the number of IDA Ireland-sponsored visits from potential investors to the capital has been 140 times greater.

The Minister indicated that rather than considering the position in the context of counties, he is instead looking at the strengths and opportunities that exist in each region. If such strengths and opportunities do not exist in Wexford, is the Government going to do anything with regard to changing the position? Can Wexford be transformed into a place to which foreign direct investors might be interested in locating their business? Our dependence of foreign direct investment is far too great and we do not really seem to be able to tell those making such investment where they should locate their operations. On most occasions, many of these companies do not seem to be prepared to locate at places outside a 45 mile radius of Dublin, Cork or Shannon airports. Is it not time that the Government invested in indigenous industry in order that it would have direct control over where such industry might be located? If it did so, the Government would be able to operate independent of the whim of foreigners.

Deputy Richard Bruton: Absolutely. Only this week the Minister for Public Expenditure and Reform, Deputy Howlin, announced the competitive start programme, which is designed

to support new enterprise in the regions. This programme is one of the vehicles we use. Enterprise is very strong in Wexford. The fact that employment has increased by 21,300 in the past two years is indicative of a very strong performance. Some of this has been as a result of the efforts of IDA Ireland companies. We won significant investments in Wexford from Clear-Stream Technologies and Danone. On the indigenous side, Eishtec has become a significant player. This company grew phoenix-like from the ashes of TalkTalk, it employs more people than the latter ever did and it has the capacity to grow. There is a strong enterprise culture in the south east, particularly Wexford, and we want to build on this. In that context, it is necessary to examine the position with regard to all the regional assets, including the education and training boards, SOLAS facilities and the institutes of technology, and areas of strength. As the Deputy is aware, the local enterprise offices are engaging directly with local authorities. We are of the view that there is capacity to build on the competitive strengths that exist. In Wexford, these strengths lie in the areas of pharma and food and we need to build upon these. Consequently, there is an onus on Enterprise Ireland to consider its base of companies and to build off the assets that are already in place in Wexford and the wider south-east region.

Deputy Mick Wallace: Figures the Minister previously provided in respect of the years 2012 and 2013 show that 116 new jobs were created in the Wexford area and that 111 were lost. This means there was a net gain of five jobs. Am I missing something? The figures to which I refer were provided by the Minister in reply to a parliamentary question tabled on 23 April 2013 and they relate to 2012. Is he now stating that employment in Wexford has increased by over 20,000 in recent years?

Deputy Richard Bruton: Since the first quarter of 2012. The recovery has been building. During 2011, the decline in employment levels continued. However, 2012 was the first year in which the position stabilised. In 2013 and 2014, there has been a significant increase in employment. CSO statistics indicate that the south east has done the best of all the regions in the intervening period. The south east is performing above the national average but, as the Deputy and others who represent constituencies in the region would acknowledge, it is starting from a much higher unemployment base than the rest of the country. The region is making good progress but we are of the view that the job in respect of it is not complete by any means.

Job Creation

8. **Deputy Bernard J. Durkan** asked the Minister for Jobs, Enterprise and Innovation the extent to which jobs have been created in each of the past three years to date arising from small and medium enterprise investment; the extent to which the current trend will continue into the foreseeable future; the extent to which he expects investment resulting in job creation to spread evenly across the country in the future; and if he will make a statement on the matter. [48135/14]

Deputy Bernard J. Durkan: This question relates to the need to encourage investment in small and medium enterprises in order to facilitate job creation. I am seeking to discover the extent to which trends have been established in this regard and emphasise the need to recognise the obvious advantages in spreading the type of investment to which I refer across the country in an even way.

Deputy Gerald Nash: I thank Deputy Durkan for tabling this question. As he will be aware, Enterprise Ireland is the agency under the aegis of the Department of Jobs, Enterprise

and Innovation with responsibility for the development of Irish enterprise - the majority of which can be classified as small and medium sized - thereby deepening Ireland's footprint in world markets and supporting employment creation in our economy. The agency works with its clients to increase job creation with the aim of increasing national and regional prosperity. For the three years 2011 to 2013 - based on Enterprise Ireland's 2013 employment survey - full-time employment rose from 143,657 in 2011 to 149,718 in 2013. For the three years 2011 to 2013, the position with regard to other, mainly part-time employment, was 24,695 in 2011. This dropped to 24,210 in 2012 and rose again to 26,032 in 2013, a total increase of 1,337. When taken together, total employment in Enterprise Ireland client companies rose from 168,353 in 2011 to 175,750 in 2013. The 2014 results of the agency's employment survey of its client companies are expected to be announced in early 2015. It is expected that these will be positive in nature. Based on the pipeline of projects approved by Enterprise Ireland, the continued strengthening of key export markets and significant improvements in the domestic economy, it is strongly anticipated that the recent trend of jobs growth across Enterprise Ireland's client base will be continued in 2014 and will provide a strong platform for growth in employment in 2015.

Local enterprise offices are significant drivers of local economic growth in every county and region of the country. My Department is leading the development of a regional enterprise development framework, which has recently been agreed and which will involve the development of strategies for regional enterprise covering the entire country. The Minister, Deputy Bruton, referred to this matter earlier in the context of the midlands strategy and that relating to the south east. We will be rolling out various strategies next year across all the regions in order to try to ensure that we strike the type of balance in respect of regional growth which the Deputy wishes to see.

Deputy Bernard J. Durkan: I thank the Minister of State for his comprehensive reply. Will he outline the extent to which he is satisfied that the necessary strategic infrastructure is in place throughout the county to ensure that attempts at job creation, through small and medium enterprises, will not be impeded? Will he also indicate the extent to which he is satisfied about the trends established in this sector, particularly in the past two years, and the degree to which he expects such trends to continue and result in further increases in job creation?

Deputy Gerald Nash: There has been significant infrastructural development throughout the country during the past ten to 15 years or more as a result of the efforts of successive Governments. The various regions are well placed to attract foreign direct investment and ensure that indigenous enterprises can grow. They are also well placed in the context of ensuring that companies can export. In that context, there has been a real resurgence in exports in recent years. I am aware, from my travels throughout the country, of Irish companies fighting for and winning business abroad and increasing employment locally and nationally. The local enterprise offices are a really important element of the infrastructure network. The Minister and I are keeping a close eye on how those offices are performing as they represent a significant investment by the Government. The relationship between them and local authorities is extremely important. The regional enterprise strategies are going to be a significant dynamic for regional employment growth over the coming period. As I said, we will be rolling out the midlands strategy shortly and the south-east strategy and various other strategies will be rolled out across the country over the coming time to ensure we have the balanced economic growth all Members want.

Deputy Dara Calleary: One for everybody in the audience.

Deputy Bernard J. Durkan: To what extent is the small and medium enterprise sector assisted by technology and innovation? The Minister might also comment on the degree to which such enterprises can boost their opportunities and competitiveness through technology and innovation and the extent to which he expects this to be of benefit to them in the future.

Deputy Gerald Nash: This is not directly my area of responsibility. The Minister of State, Deputy English, is the expert on this. However, I am aware that Ireland has in the recent past ranked highest in terms of draw down of innovation vouchers from the European Union. Horizon 2020 is a significant element of that, ensuring that Irish companies continue to invest in research and innovation.

Having led trade missions abroad with Enterprise Ireland I know the Irish SME sector is hugely respected in terms of innovation and technology. Given the know-how that we have developed in this area over a long period and the supports provided for industry by Enterprise Ireland, Science Foundation Ireland and our third level institutions we have a strong platform in our SME sector. We have the know-how and the skills but we need to keep a close eye on this area and ensure that we target technological investment into our SMEs because that gives them an added competitive advantage when competing for business nationally and internationally. I would be very confident that the SME sector in Ireland is very technologically advanced and well positioned to continue to take advantage of European and international opportunities for funding and growth.

Science Foundation Ireland Remit

9. **Deputy Denis Naughten** asked the Minister for Jobs, Enterprise and Innovation the steps he is taking to ensure that Science Foundation Ireland continues to fund basic fundamental scientific research; and if he will make a statement on the matter. [48001/14]

Deputy Denis Naughten: The Government housing strategy is to supply 110,000 houses over the next six years. What is the possibility of this being achieved without training of bricklayers in this country? This is the policy now being implemented by Government in relation to its science strategy. Without basic research we cannot have applications. Electricity and the light bulb were not invented by incremental improvements in the candle. What the Government is doing is putting investment into improving the candle rather than coming up with new initiatives.

Deputy Richard Bruton: I know that Deputy Naughten is a scientist and that, if I am not mistaken, he has done seminal work on science in education.

Deputy Denis Naughten: The Minister and I will fundamentally disagree anyway.

Deputy Richard Bruton: I do not accept the premise of the Deputy's question. We are not turning our back on basic research, rather we are insisting that basic research be oriented towards our strengths.

The remit of Science Foundation Ireland, SFI, since its establishment has been to fund oriented basic research in strategic areas concerned with the future development and competitiveness of industry and enterprise in the State. Its remit was extended last year with the enactment of the Industrial Development (Science Foundation Ireland) (Amendment) Act 2013 to enable

it to fund applied research while continuing to fund oriented basic research in strategic areas of opportunity for the State. The amended legislation enables Science Foundation Ireland to take the outcomes of oriented basic research closer to market.

The Deputy will be aware that the functions of SFI are to develop and extend capability for the carrying out of oriented basic research; to promote attraction to Ireland of world-class researchers and research teams; to provide funding for oriented basic research, as well as applied research; to enter collaborative arrangements with international partners and to provide funding to promote the study of education in and awareness of science. SFI reviews its funding mechanisms on an ongoing basis against international benchmarking in the context of strategic priorities and technological foresight.

We recently funded 12 centres for research that are based on world-class science. The first test is that they are science of the first order and the second test is that they are relevant to areas where Ireland can build competitive strength. In an environment of constrained resources we must ensure that areas of investment have a connection to the areas from which will arise opportunities of commercialising that investment. As I said, oriented basic research is necessary but it must be oriented towards those areas where we can build a competitive edge.

Deputy Denis Naughten: I accept what the Minister is saying and I have no difficulty with the principle of a substantial amount of funding going into that particular avenue. In my view, however, we are now putting all of our eggs in the one basket. A number of years ago the IRFU tried to close down Connacht Rugby on the basis of the west of Ireland not having the required capacity or strengths in relation to rugby. Had it succeeded, we would not have had the performances over the past number of weeks by the Connacht Rugby team. The Government appears to be taking the same attitude in relation to SFI funding. Most developed economies, including Austria which has a population similar to that of Ireland, are spending double the amount of money we are spending in research, with one third of that funding going into basic research of new ideas to develop capacity and strengths within those economies.

Deputy Richard Bruton: I do not accept that all of our eggs are in one basket. There are many other avenues through which funding is provided, including the Irish Research Council, the Department of Education and Skills and Horizon 2020, through which €1.25 billion can be drawn down. Deputy Naughten cited the example of Connacht Rugby. We must look at areas in which Ireland can perform well. We have placed our bets in areas such as data analytics, nanotechnology, advanced materials, marine, food and food for health, all of which are areas that are important to our enterprise base. These are areas of world-class research in which we are breaking new ground but they are also areas that are relevant. Any team that is building must look at how it can build competitive strengths to enable it beat the opposition. That is what Connacht Rugby has done very effectively, as we now know.

We believe we are doing exactly what the Deputy is asking that we do, namely, we are building competitive strengths in areas where Ireland can be world class. The evidence indicates that we have done better than most countries in terms of the ranking we hold in respect of the impact of our investment in research.

Deputy Denis Naughten: I have no problem with support and investment in Ulster, Leinster or Munster rugby but Connacht Rugby cannot be ignored. That is what is happening. We are ignoring basic research. I accept that there is funding available from Europe, which is the usual answer trotted out. What is being done in this area is akin to asking a ten year old child to

by-pass second level education and go straight into university. Unless researchers have access to funding in Ireland to enable them build up basic capacity they will not be able to tap into the European funding available. Is it not the case that one of the reasons Ireland is dropping in the university rankings is because we are not publishing scientific papers? Given the manner in which research funding is now tied up with commercial issues the capacity of universities to publish scientific papers is limited.

Will the Minister look again at the abolition of the post of chief scientific adviser? What has been done within the scientific community is akin to appointment of the CEO of the HSE as chief medical officer to the Government. This would not work in the health area and will not work in the science area.

Deputy Richard Bruton: In terms of the impact of our research spending across all of the measures, including spin-outs, licences, publications and so on, we are doing extremely well. In comparison with other countries, we are top in terms of the impact per euro we spend. We are exceeding performance in those areas. Key to all of this at the end of the day is employment. We want to ensure that the impact of our research is the creation of good ideas that result in job creation. That is our mandate. This is not a case of good ideas that will remain in laboratories rather it is good ideas that have an impact and result in the creation of employment throughout the country. This is what is driving our thinking. The 14 priority areas are not narrow. They are striving (a) to be world class in research and (b) to be relevant. This is measured through their ability to attract other partners, be they EU partners or industrial partners, which enable them to have an impact.

I believe Mark Ferguson is doing a fantastic job as chief scientific adviser. He is bringing a wealth of experience from the HEI sector, which he is funding on a regular basis, into the implementation of Government policy across all Departments. He has met with officials of various Departments to identify the problems confronting them and to bring that knowledge back into the science arena, which he is helping to fund. I believe he is building a really good connection.

Consumer Protection

10. **Deputy Dara Calleary** asked the Minister for Jobs, Enterprise and Innovation the way in which consumers will be protected from financial detriment following the purchase of a product or service in view of the survey by the Competition and Consumer Protection Commission which highlighted significant losses incurred by consumers; and if he will make a statement on the matter. [48139/14]

Deputy Dara Calleary: What proposals does the Minister have for the report of the Competition and Consumer Protection Commission on the cost of poor customer service and faulty goods which it puts at €500 million a year? That sum would fund many rugby teams and scientists. More importantly, it is money taken out of people's pockets for bad service. This issue needs to be tackled.

Deputy Richard Bruton: Consumer detriment is a measure of the loss experienced by consumers where they have cause to complain about a product or service. The study referred to by the Deputy examines the number and range of problems across the whole economy, as well as in specific sectors. It is the first time a study of this size and scope has been conducted in Ireland. This is an important benchmark study which will help the new Competition and

Consumer Protection Commission to identify the problems affecting consumers and to focus its resources on areas of most importance.

Benchmark figures included in the report show that the majority, about two thirds, of consumers do take action when they have a problem, with a significant number of issues being resolved. The majority of consumers also feel confident and knowledgeable of their consumer rights. Clearly, it is an aim of public policy to improve on the benchmark established for consumer detriment.

The Competition and Consumer Protection Commission is continuing to combat consumer detriment. Examples of its work include the ongoing car clocking investigations, an examination of unfair terms in consumer contracts and direct engagement with business. Its consumer helpline dealt with over 50,000 calls in the past year from consumers who had experienced a problem

This is an important study and will be a benchmark. Clearly, the figures are of concern, with 44% of consumers reporting they had experienced consumer detriment. We need to get that figure down. The cost is estimated at €209 per person surveyed, which comes to €500 million a year. There is a significant target for improved work by the commission to focus on and build a stronger market that defends consumers more effectively.

Deputy Dara Calleary: This is a welcome report, but it is key that the consumer protection side of the commission stand up and use it. When one drills down, everyone can identify with the fact that one in ten consumers who responded to the survey spent more than ten hours trying to solve a problem. Up to 50% of the issues were never actually resolved. I challenge anyone not to identify with the statistic that 16% of respondents had a problem with telephone, Internet or television providers. In second place came financial services, with a figure of only 7%, which I thought would be much higher. Banks are pulling out of communities they once served, restricting remaining services and imposing larger charges for basic services. Nothing has been done, however, to tackle this issue. We have sat back and allowed it to happen, even though the Government is the main shareholder in many of the banks. Is the Minister confident that consumer protection legislation is robust enough to deal with these issues? Is it robust enough to deal with the new way many consumers access services, particularly online and through providers outside the jurisdiction? What plans does he have to examine these issues?

Deputy Richard Bruton: We have a consultation paper on proposed legislation to consolidate and update consumer laws. We have received some responses which we will examine. This will assist us in developing new legislation. We need to continue to focus relevant information on consumers. It is encouraging that 80% of consumers inquire about services or products and shop around. We have, therefore, a more discerning consumer.

Some of the negative aspects lie with the businesses involved. Up to 19% of businesses did nothing at all when contacted, while 46% of the issues raised remained unresolved. There are areas for improvement and the report will be a useful bedrock in this regard. Compliance with the law is one matter, but creating a culture within enterprise that sees quality of service to the consumer as one of the best ways of building loyalty and the retention of consumers is important, too. This research has some salutary lessons as to how businesses are responding to consumer complaints in practice. The report is a valuable benchmark on which we can build.

Deputy Dara Calleary: With the consultation paper, what plans does the Minister have for

making legislation more relevant to Internet purchasing, giving consumer rights and protection to those who buy over the Internet who then have problems because, unknown to them at the time they purchased, the provider was based outside the jurisdiction? Is there any work under way at EU level to give EU-wide protection to consumers who purchase online and businesses to provide a better online customer service which often can be poor?

Deputy Richard Bruton: There are two EU directives which have been adopted and will improve the ability of those who buy on the Internet to take a complaint across all 28 member states in a uniform way. That legislation is in train and will be transposed in Ireland. Increasingly, people are migrating to the Internet as a way of trading. This legislation, accordingly, is designed to keep track with this. It will also be a theme in the updating of consumer legislation, bearing in mind the changed environment in which a lot of trade occurs.

Written Answers follow Adjournment.

Message from Seanad

Acting Chairman (Deputy Bernard J. Durkan): Seanad Éireann has passed the Merchant Shipping (Registration of Ships) Bill 2013, without amendment.

Water Services Bill 2014: Committee Stage (Resumed)

SECTION 11

Acting Chairman (Deputy Bernard J. Durkan): Amendments Nos. 37 to 39, inclusive, are related and will be discussed together.

Deputy Catherine Murphy: I move amendment No. 37:

In page 12, between lines 16 and 17, to insert the following:

“(4) When this section comes into operation—

(a) Irish Water shall undertake to delete all PPS numbers collected to date within a period of four weeks after this section comes into operation,

(b) the Minister will mandate the Data Protection Commissioner to produce a report confirming that Irish Water has deleted all PPS numbers previously collected,

(c) the Minister shall lay this report by the Data Protection Commissioner before each House of the Oireachtas as soon as may be after its completion.”.

This amendment relates to the verifiable deletion of PPS, personal public service, numbers. Last week there was news coverage of how the Department of Social Protection had perceived an issue with Irish Water’s request to it for a major data dump of all PPS numbers.

A commitment that PPS numbers will be deleted is not sufficient as this must be verifiable. The numbers were regarded as potential assets that could be sold in the future so it is essential, now that the decision has been made not to proceed with the collection of PPS numbers, that those already provided by people are deleted. People must be satisfied that these numbers have been deleted and I presume the Data Protection Commissioner will certify the deletion. I would find the Data Protection Commissioner’s certification of deletion to be a satisfactory resolution to this issue.

Deputy Joan Collins: I think these amendments are very important because the collection of PPS numbers and the popular belief that they could be sold to third parties were huge issues. The letters that people received from Irish Water stated that the numbers could be sold in future to another company as assets and this is what really raised the ire of the Irish people. Deputy Catherine Murphy and I tabled an amendment to the Social Welfare Bill a couple of weeks ago requesting the removal of this measure and we were told provision would be made in this legislation to allow for same. As Deputy Murphy said, the Data Protection Commissioner should verify in a report that PPS numbers have been wiped from Irish Water's system. If the PPS numbers have been deleted, will new application forms be circulated or will they remain as they are? I support these amendments and hope the Minister accepts them as they amount to a simple request.

Deputy Brian Stanley: I welcome these amendments to section 11 as there are huge concerns relating to PPS numbers being given to, or demanded by, a utility company. The real concern is that down the line PPS numbers could be sold or handed to other operators and if Irish Water is privatised in future the numbers could end up with another corporate body.

I am a customer of the ESB and Bord Gáis and I have not supplied them with my PPS number so the demands of Uisce Éireann are out of kilter with other utility companies. The Minister has gone some way to address these concerns in section 11 but the amendments will strengthen the area as we must be careful with people's data and, particularly, data belonging to the State and the Department of Social Protection. This information should not be in the hands of corporate bodies that have no need for it so we must do all we can to put this matter behind us. The Minister should confirm, once and for all, that people's PPS numbers will not be in danger of falling into the hands of people who should not have them.

Deputy Barry Cowen: Like Deputy Brian Stanley, I welcome the commitment in the section confirming that Irish Water will no longer have the power to request PPS numbers. Just this week, an article in *The Irish Times* showed that if it had not been for the will of Department officials to resist the demands of Irish Water for these details the provisions on PPS numbers might not have changed. It seems Irish Water had the protection of the Government in seeking the numbers but I must take at face value the Minister's commitment in this matter. I ask that the Minister consider these amendments as a way to copperfasten his commitment by ensuring that all PPS numbers that were collected will be deleted within four weeks of the passing of this Bill. I ask also that the Minister mandate the Data Protection Commissioner to produce a report confirming that the numbers have been deleted and lay this report before the House as soon as possible thereafter. The Minister must assure people that there is no prospect of collected numbers being retained or used, irrespective of what Irish Water does or is directed to do by the Government in the future.

Deputy Liam Twomey: I do not know why there is such concern over PPS numbers being given to Irish Water.

Deputy Joan Collins: They could be sold on.

Deputy Barry Cowen: The Minister is removing the provision.

Deputy Liam Twomey: Every sole trader in the country who receives a payment from a State organisation, be it the Garda Síochána or another organisation, must supply a PPS number to receive payment. Around five years ago I was requested to give my PPS number and the PPS

number of each member of my family to the VHI and I do not recall anyone in this House ever raising concerns over this practice by the VHI.

This issue relates to the need for a unique identifying number and members of the Opposition have called in this House for unique identifying numbers in the health service as they can help in the administration of large organisations like the HSE and Irish Water. Unique identifying numbers can help in the smooth running of organisations. Many questions were raised in recent days on the cost of the administration of Irish Water and all sorts of figures were thrown around. Deputy Donnelly suggested the cost would be €60 per person and that sounds crazy so I ask that the Minister respond to this. Deputy Stanley may feel I am picking on him when I raise the matter of Northern Ireland Water but surely that entity uses a system of unique identifying numbers to identify customers. In Northern Ireland bills are not yet sent to domestic users but they are sent to commercial users.

Deputy Brian Stanley: Try to stop them.

Deputy Liam Twomey: There must be some way of tracking customers and I ask the Minister to comment on this.

Minister for the Environment, Community and Local Government (Deputy Alan Kelly): Before I begin, I wish to inform the House that I will table an amendment to section 2 of this Bill on Report Stage. I previously indicated that the amendment would be introduced in the Seanad so I wanted to update Members on this change. The amendment was discussed in detail in this House in the course of debates on the Bill and I believe it will be welcomed.

This section is important and I know the amendments tabled were put forward in the right spirit. The Government announcement in November simplified water charges, gave much needed clarity on the level of the charge and gave certainty that capped charges would remain in place until 1 January 2019. It is clear that the collection of PPS numbers was an unpopular issue with many people and caused concerns. Those concerns may have been unfounded or may have been well-founded but there is no point debating such matters now as there is no longer an issue. I listened to the concerns that people raised and the changes to this Bill resulted. The House broadly welcomes these changes although there are some issues relating to the process and timelines that we are now discussing.

The new simplified system means PPS numbers no longer need to be collected. Section 11 of the Bill provides that Irish Water will no longer have the power to request details of PPS numbers. The section will be commenced by the Minister for Social Protection following consultation with me, the Minister for the Environment, Community and Local Government.

11 o'clock

In the meantime, Irish Water has commenced work on deleting the personal public service data which had been collected up to this point. Irish Water has stated that the deletion is being carried out in accordance with a protocol the company has developed in consultation with the Data Protection Commissioner. There is information on the Data Protection Commissioner's website, including a summary and a further document on the matter. I will put copies of these in the Library, making them available to Members. They summarise in considerable detail the process, the protocol and how it works. Any Member can go through them if they so wish.

The exercise will take several months to complete. It is a rather technical exercise and it is

important that it is carried out properly. Reference was made to time limits, restrictions and being prescriptive about it, but I will not accept the amendments put down by Deputies Donnelly, Cowen and Murphy, although I understand and accept the premise on which they are based.

This is a technical exercise. I have some experience in this area. In a previous life I worked in roles that involved mass data management. This technical exercise will be undertaken by Irish Water. It has to be done correctly. The most important thing is that it is done professionally and correctly in order that we will have closure on the issue. I would rather see it done that way than put down a prescribed time or try to live by something that is perhaps not achievable.

It is not only a question of the manner by which the PPS number data in Irish Water is cleaned up and gone through in the various workstreams, it is also important to ensure that all the data is cleaned up from various media including online, paper form, voicemail and so on. More important, once Irish Water has gone through the process, it is important that a rigorous analysis is carried out to ensure absolutely everything has been done and that takes some time.

I appeal to the Deputies who have tabled amendments to accept that this is the process. I understand the detail and why they put down the amendments but bringing in the relevant section on day one was the right thing to do. There is now a protocol in place between Irish Water and the Data Protection Commissioner and I believe this is the appropriate way in which this should be done.

Deputy Catherine Murphy: Certainly I will examine the process that the Minister is going to make available in the Library. It is important that people understand the process. It is not only a question of public concern in terms of learning lessons. There were concerns in the Department of Social Protection as well. Were the concerns of those in the Department of Social Protection discussed when this was being framed in the first instance? Was the Minister privy to the detail given that it involved a previous Minister? Does the Minister believe the process amounts to good practice?

I got a letter from the Data Protection Commissioner stating the legal structure for the process of the collection of personal data had been signed into law under the Water Services (No. 2) Act 2013. The legal basis has the effect of setting aside the relevant restrictions on the processing of personal data as set out in section 2 of the Data Protection Act, which would apply otherwise. There should be some acceptance that this is bad practice in the context of future legislation. We should not set aside the normal process under the Data Protection Acts for the purposes of providing for the collection of PPS numbers. That would seem to me to be bad practice. We have the Data Protection Acts for a good reason. They are in place to protect individuals and their privacy. The mistake was to include the provision in the first instance. At the least, lessons should be learned about how we proceed in future.

I am keen to hear the Minister's reply. It was interesting to read the articles about the concerns of the Department of Social Protection. There will be costs associated with deleting the data. I accept the data come in different formats and therefore we must verify them. I am prepared to withdraw my amendment on foot of the assurances we have been given.

Deputy Barry Cowen: On foot of the Minister's response I will not move my amendment. I look forward to seeing the information to be provided in the Library. It will be useful to pass on the information to the relevant parties to assure them that every effort is being made on the part of Government to correct the initial decision, which met with such public disapproval.

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Deputy Eric Byrne: I wish to speak on this particular section and the particular issue.

Acting Chairman (Deputy Bernard J. Durkan): I want to deal with the amendments first.

Deputy Eric Byrne: I am talking about the amendment.

Acting Chairman (Deputy Bernard J. Durkan): Two of the amendments have been withdrawn and we are now left with one.

Deputy Eric Byrne: Amendment No. 37 is still on the table.

Acting Chairman (Deputy Bernard J. Durkan): Amendment No. 37 is on.

Deputy Eric Byrne: I could be creating a precedent in the House if I read into the Official Report my PPS number. I do not mind. If anyone wants to know my PPS number, they can give me a shout. In the case of almost every constituent for whom I undertake political queries, whether relating to medical cards, housing or other difficulties, part and parcel of the request involves their PPS number. They all know them off by heart and they give them to me.

Deputy Barry Cowen: That is Deputy Eric Byrne's choice.

Deputy Eric Byrne: What is this business of a song and dance about PPS numbers? If Deputy Cowen wishes I will give him my PPS number or read it into the record and the whole world can see it.

Deputy Barry Cowen: I am not bothered, to be honest.

Deputy Eric Byrne: This is the greatest deviation from a theoretical debate that I have ever heard. Everyone has a PPS number. There is no big fear about giving a PPS number.

Deputy Barry Cowen: Deputy Eric Byrne does not speak for everyone.

Deputy Eric Byrne: I would love to ask my constituency colleagues whether they ever ask their constituents for their PPS numbers when making representations on their behalf. If they told me that they do not, they would be telling me lies.

Would it be appropriate for me to read into the Official Report my PPS number?

Acting Chairman (Deputy Bernard J. Durkan): No.

Deputy Eric Byrne: Very well. I will not do so.

Deputy Barry Cowen: It is 666.

Deputy Brian Stanley: It is like the Soviet Union.

Acting Chairman (Deputy Bernard J. Durkan): No, we will not have that.

Deputy Eric Byrne: If it is against the rules of the House I will not do so, but if any of my constituents want to ring me to ask my PPS number, I will be glad to give to them.

Acting Chairman (Deputy Bernard J. Durkan): Thank you, Deputy.

Deputy Eric Byrne: If this water authority accidentally forgets to delete my PPS number, which I have registered, I will not take it to court. I am happy for the company to keep it in the

records.

Acting Chairman (Deputy Bernard J. Durkan): Thank you, Deputy. It is open to Deputy Catherine Murphy to withdraw amendment No. 37.

Deputy Alan Kelly: I wish to reply because some questions were raised. I wish to correct something. I inadvertently referred to the Data Protection Commissioner's website instead of Irish Water's website. The protocol that I am making available is on Irish Water's website.

Deputy Catherine Murphy asked about the discussions in respect of the Department of Social Protection but these preceded my tenure and I know the Deputy respects that. The Department of Social Protection is the guardian of PPS numbers. There were discussions on the matter. Were there concerns? I know there has been some media profile on the matter but if there were concerns I was not privy to them and therefore, I cannot elaborate too much on the matter to be honest.

There are various workstreams under which the PPS numbers are available. I wish to reflect the level of depth on this matter. There are scanned images of application for allowance forms. Another Deputy asked a question about the forms. There are new forms. There are paper application for allowance forms. There are voice recordings. There are Irish Water customer information technology system areas. There are other electronic formats, for example, e-mail and electronic backup data. In respect of the scanned images of application for allowance forms, the PPS information will be manually redacted. The process, which is quite seismic, considering the number of forms, is under way. In the case of the application allowance forms, once scanned images are redacted and quality assured, the paper forms will be systematically destroyed. Voice recordings containing PPS information will either be redacted or deleted, depending on the circumstances. SEPA guidelines prohibit the deletion of all calls as Irish Water is required to retain direct debit information. Components of phone calls will need to be redacted. I refer to the significant quantity of e-mails which will need to be processed as well as training material and other *ad hoc* electronic pieces of information, all of which will require detailed examination.

Backup information of data is another significant consideration. The management of data at this level involves a very great quantity of backup information. I can understand why this is the case. This backup information is stored in a secure off-site location with firewall protection and to which access is highly restricted. This backup material will also need to be processed.

The work streams must be examined and with a thorough re-examination to ensure that every single PPS number is deleted. This is the protocol being operated with the Data Protection Commissioner. That is the way in which it should work.

It is very easy to quickly remove a large bulk of PPS numbers - I am pretty sure I could do it myself - however, the process to ensure complete and utter guarantee that 100% have been removed, requires a more sophisticated approach. I hope the Deputies appreciate the technical detail which is included in the process.

I thank the Data Protection Commissioner's staff for their co-operation with Irish Water in this process. I suggest that at some time in the medium term - not late next year or anything like that - that Irish Water would come before the joint committee to confirm that the process has been completed. At that point I could then call on the Data Protection Commissioner to audit Irish Water in order to confirm that the appropriate process has been completed and that

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the PPS numbers have been deleted. It is a matter for Irish Water to work through the protocol with the Data Protection Commissioner but if this accountability gives greater comfort to individuals I have no problem in recommending that at some future date, to be agreed, once this technical process is completed - although I cannot give a date for completion because it is quite a technical ongoing process - that Irish Water would come before the joint committee in order to confirm that this process has been concluded and that everyone is satisfied that this has been done in the appropriate way.

Amendment, by leave, withdrawn.

Amendments Nos. 38 and 39 not moved.

Section 11 agreed to.

SECTION 12

Acting Chairman (Deputy Bernard J. Durkan): Amendment No. 40 is out of order as it is not relevant to the provisions of the Bill.

Amendment No. 40 not moved.

Deputy Alan Kelly: I move amendment No. 41:

In page 12, to delete lines 21 to 23 and substitute the following:

“ “21. The entire network (within the meaning of section 2(1) of the Water Services Act 2007) used for the provision of water services (within the meaning of that subsection) by Irish Water or a person who holds a water services licence under section 79 of the Water Services Act 2007 or land and buildings occupied by Irish Water or such a licence holder.” ”.

The purpose of this provision is that land used for provision of public water services is not rateable for the purposes of the Valuation Act 2001. This exemption will apply to Irish Water for the provision of water supply and waste water treatment and to group water supplies. From a financial perspective the changes arising from the provisions in this Bill will, in total, involve a reduction in revenue for Irish Water of €21 million in 2015 and €56 million in 2016. However, Irish Water's costs will also be reduced as a result of the approach to the treatment of water infrastructure for commercial rates purposes, such that the subvention does not need to be paid to Irish Water to fund this cost. Equivalent support is given directly to the local authorities through the Local Government Fund.

The intention of this amendment is that the exemption shall be restricted to Irish Water and to group schemes - this is important. This is a technical amendment and was prepared following consultation with the Department of Public Expenditure and Reform in order to clarify the scope of the exemption.

Deputy Catherine Murphy: I have one question. I have no issue with the amendment but I am intrigued that there was a rates liability. I presume group schemes would not have been subject to rates just as local authority water supply and waste water systems were not liable. I find this provision somewhat confusing.

Deputy Barry Cowen: I have raised this issue with the Minister on a number of occasions since his motion containing measures to address the Government's mishandling of this process

since its initiation 18 months ago. There is no doubt that the local authorities throughout the country were under the belief that they would benefit from and accrue the revenue from commercial rates applicable to Irish Water. This has been scuppered by virtue of what was contained in the motion, in this Bill and also in this amendment.

I am assured that the figure of €59 million is concrete and I am assured that the process of evaluation has been carried out to such an extent that this figure becomes more concrete. I ask the Minister to confirm to me today, yet again, that the figure of €59 million is absolute and is as a result of the scientific analysis of the networks - a result of that analysis having produced valuations throughout the country which he stated yesterday have amounted to €11 billion. Can he quantify - if not today but by placing the information in the Oireachtas Library - the total valuations for the country? I refer to a parliamentary question I submitted on 25 or 26 November in which I asked the Minister for Public Expenditure and Reform if he could provide details of the commercial rates liability of the semi-State companies and make a statement on the matter with particular emphasis on the likes of Irish Water. I was assured that the levying of rates is a matter for local authorities and the amount of rates to be collected from a rated occupier, whether a semi-State company or otherwise, is the function of the annual rate or valuation, ARV, set by each local authority and the value of the property on the valuation list. That is my reason for seeking the placement, on the public record and in the Oireachtas Library, of the valuations pertaining to all those assets throughout the country amounting to €11 billion, as stated by the Minister yesterday. I am conscious of the Minister's comment, when commending the amendment to the House, that the scope of the investigation had not yet been finalised. I am none the wiser in this regard and perhaps the Minister might advise me of the position. As minimal as that statement from him was, does it indicate that the figure of €59 million is not set in stone?

During the debate on Committee Stage Deputies have sought a great deal of clarification of the figures the Government has produced. Last week, for example, when the House discussed the €130 million estimated cost of the conservation grant, we had the debacle of the Minister stating the figure could increase by €36 million. The explanation given was that the scheme would be demand-led. I assume the Minister expects 100% compliance with it, given the fanfare with which the introduction of the conservation grant was announced. Not alone has the House not been provided with exact information on the costs associated with the conservation grant, but Deputies specifically have also sought details of the costs the Department of Social Protection will incur in administering and allocating the grant. I hope this information will be provided in this or the Upper House before the debate on the Bill concludes. How many staff will the Department of Social Protection require over and above its existing complement to administer the grant? What will be the cost of these staff and what other administrative costs will arise?

Last night we were given information on the €460 million to be provided for the Housing Finance Agency on foot of obligations and liabilities on the part of local authorities. We were not aware that this amount was to be paid to the agency until the relevant amendment was introduced. As I stated last night, this measure contravenes and contradicts the Water Services (No. 2) Act passed by the House at this time last year. If Deputies had been able to adequately scrutinise, investigate and question that legislation, we might have secured a change of heart by the Government in the past year. The Government did not return to the House to seek its authority or permission to repay this loan. Perhaps it believes it does not need our permission, given that it has a substantial majority in the House. It is disregarding the democratic process and the authority of the House which assumes ownership of the process of disbursing taxpayers' funds.

I expect the Minister to give a commitment to place in the Oireachtas Library information on how the Department arrived at the figure I outlined. If he is unable to give such a commitment, given his statement that the liability is ongoing, will he indicate whether it is likely that the figure will increase? If so, what will be the timescale? I find it unfortunate in the extreme that he is rushing this legislation without providing the relevant figures for the House.

Deputy Brian Stanley: The Government informed the House on dozens of occasions in the past two or three years, including prior to the establishment of Uisce Éireann, that the new entity would be a stand-alone, commercial semi-State company. While I accept that Irish Water was conceived by the previous Government, the Government gave birth to it and made it its favourite child.

According to the Minister, Uisce Éireann's rates liability will be approximately €59 million per annum. However, the Government proposes to wipe the slate clean and force local authorities which are already starved of funding to carry the company's rates burden.

Last night we learned in respect of the money borrowed from the Housing Finance Agency for investment in water services, that the Minister for Finance would provide €460 million or almost €500 million to pay off this loan. This means that taxpayers will pay off the loan and that the liability will not transfer to Irish Water. As such, assets will transfer to Irish Water, while liabilities will not.

On the basis that Irish Water will not meet the criteria set by EUROSTAT, the Minister decided to create an imaginary water conservation grant.

Deputy Paudie Coffey: It will meet EUROSTAT's criteria.

Deputy Brian Stanley: I do not know how you can keep a straight face when defending the water conservation grant.

Acting Chairman (Deputy Bernard J. Durkan): The Deputy must speak through the Chair.

Deputy Brian Stanley: I apologise. I do not know how the Minister or the Minister of State can defend the grant.

The Government allocated €468 million from local property tax revenue to Irish Water. The Minister and his predecessor, Mr. Phil Hogan, stated the local property tax was to be used to pay for footpaths, public lighting, parks and libraries. An additional €530 million from the National Pensions Reserve Fund is being buried in the ground because the water meters will not be used for at least four years. In addition, an Exchequer subvention of approximately €250 million per annum will continue to be paid to Irish Water.

Irish Water, a stand-alone semi-State company, will be treated differently from other semi-State companies as it will not be required to pay rates. Moreover, Joe and Mary taxpayer will pick up the €460 million bill for its loans from the Housing Finance Agency. The €130 million cost of the conservation grant, a fiddly, funny money scheme devised to satisfy the EUROSTAT criteria, will also be borne by taxpayers. The Government will pay the grant with one hand and take it back with the other. The money borrowed from the National Pensions Reserve Fund was supposed to be used for pension purposes. I am not sure how much good it will do to bury this money in the ground in paying for water meters that will not save one gallon of water. In

addition, we also have the ongoing Exchequer subvention. The Government is handing over a colossal amount of money to its favourite child.

Will the design, build and operate, DBO, and public private partnership, PPP, water and sewerage plants be liable for rates? In other words, will the companies that operate these plants be required to pay rates? For example, will a rates liability arise in respect of the Portlaoise wastewater treatment plant or will the €59 million rates liability that is being wiped clean include the rates liability of that plant?

Uisce Éireann's assets have not been audited. The Minister confirmed yesterday that a valuation or audit of assets had been made in only two counties. The Valuation Office has not made a valuation.

Deputy Paudie Coffey: The assets are on the balance sheets of the local authorities.

Deputy Brian Stanley: The Minister of State will be able to speak in a moment.

The ESB, Bord na Móna and the remaining public element of Bord Gáis are semi-State companies that pay rates. Why will Irish Water not pay rates? What is the difference between it and other semi-State companies?

I have a problem with the prison in Portlaoise and Departments and Government offices not paying rates to local authorities. This causes problems in many counties, specifically County Laois where there is a concentration of Government buildings around Portlaoise town, although we manage the issue. The difference in the case of Irish Water, however, is that it is, according to the Minister, a stand-alone, commercial semi-State company.

While I would prefer if water services were still the responsibility of local authorities, the position has changed as a result of the Government's handling of the issue. Irish Water will be given preferential treatment, on top of all the loans which have been wiped to one side and everything else that has been done. Shovel loads of money have been put into the hands of the company so it can pay large salaries and do whatever it likes. Perhaps it is being fattened up for privatisation down the line. Where does the preferential treatment end? What will be next? The Minister needs to re-examine the issue. There is a major liability in regard to rates. Local authorities were supposed to receive the LPT, but €486 million of the money collected in 2014 was taken from them. The Minister now proposes to make them carry a further liability-----

Deputy Eric Byrne: You gave it back

Deputy Brian Stanley: -----of almost €60 million.

Acting Chairman (Deputy Bernard J. Durkan): I call Deputy Twomey.

Deputy Liam Twomey: I thank the Acting Chairman.

Deputy Brian Stanley: Do not make a comparison to the Soviet Union.

Deputy Liam Twomey: It is Northern Ireland, not the Soviet Union. I am somewhat confused-----

(Interruptions).

Deputy Liam Twomey: I am somewhat confused by some of the contributions. We have

heard that water is a human right for the past couple of weeks and that everything should be for free. When the Government facilitates the establishment of Irish Water and keeps costs down, there are objections.

Deputy Barry Cowen: The taxpayers are still paying.

Deputy Liam Twomey: The Opposition wants to load it with more debt. It is confusing.

Deputy Barry Cowen: The State is still paying for it.

Deputy Liam Twomey: It is, but we are trying to get Irish Water going.

Deputy Barry Cowen: On balance sheet or off it.

Deputy Liam Twomey: Off-balance sheet.

Acting Chairman (Deputy Bernard J. Durkan): One speaker. Sorry Deputies, you have already spoken.

(Interruptions).

Deputy Liam Twomey: I do not think other Deputies are being clear. I have been dragged into side arguments because there seems to be confusion within the Opposition as to what it wants out of Irish Water. I like other Deputies would like to make a comparison with Northern Ireland Water. Of the household charge in Northern Ireland, £160 goes towards water. Some £200 million of the block grant from Westminster goes towards water, which is the same as the current budget deficit in Northern Ireland. Perhaps water charges for individuals are on track in Northern Ireland, if one looks far enough down the road.

Northern Ireland Water is a good comparison for Irish Water in this discussion. I cannot find the information myself, but perhaps the Minister has come across it. What were the start-up costs of Irish Water compared to those for Northern Ireland Water? Has the Minister compared how Northern Ireland Water operates with regard to different payments and how people were transferred into Irish Water? It would be extremely useful for us.

The cost of installing meters in Northern Ireland was significant, which Deputies know are supposed to be switched off until at least 2016. Could the Minister provide that comparison and put on the Official Report of the House the start-up costs of Northern Ireland Water compared to those of Irish Water?

Deputy Alan Kelly: My answer to the question on BDOs is “No” because this is a public infrastructure and, therefore, they are all exempt. I will return to other questions.

This is a pretty simple process. It is about a pass-through cost that we are putting into the Bill. Prior to the establishment of Irish Water, the relevant local authorities were responsible for the operation of water services, as we all know. While some water assets were included on valuation lists provided by the Valuation Office for rating purposes, it was the position that these assets were, de facto, not revenue-raising for the local government system in terms of commercial rates. Any circular issued in regard to local authorities referred to repaying rates to themselves.

To be frank, this was a mixed bag. In some cases local authorities charged other local authorities for services. I understand Kildare charged Dublin a small amount. As rating water

assets owned and operated by local authorities did not provide additional revenues to local authorities, it is likely that, in seeking revisions of valuations by the Valuation Office, the local authorities prioritised other commercial properties which would provide additional rates revenue. In other words, they looked at other commercial properties rather than water services.

It is important to point out that the Valuation Office resources for revision requests are limited and, therefore, the focus may have been on commercial premises that provided additionality in terms of local government funding. The revision practice varies from local authority to local authority. Some may not have sought valuation lists from the Valuation Office when the water infrastructure was commissioned in their administrative areas, for instance.

Another reason for the large variations in the water infrastructure valuation bases from county to county was brought about by the revaluation process undertaken by the valuation office. Water services infrastructure in a number of local authority areas, in particular the three Dublin local authority areas, Waterford and Limerick, would have modern valuations by virtue of having been revalued in recent years. The revaluation exercise will also pick up water services infrastructure in these areas which may not have been valued previously because of the changes which took place in Dublin, Waterford and Limerick. This process would, therefore, result in variations in valuations and larger valuations being placed on water services infrastructure in these areas.

Deputy Cowen referred to two separate processes. The valuation by the Valuation Office is for the purposes of levying commercial rates. However, I know the Deputy understands that the €11 billion valuation of assets is the book value of assets required by local authorities on all of their capital accounts, as my colleague said. That valuation needs to be significantly reassessed for many different reasons, such as depreciation. The Deputy asked about putting that information on the record. I will do my best to try to provide the information and place it in the Oireachtas Library as quickly as is humanly possible.

The payment last year was approximately €48.725 million and is expected to be €59 million next year. There is a circular movement of funds so that the cost base in regard to Irish Water no longer has the €59 million attributable to it. The cost base of Irish Water is lower, at €899 million, compared to expenditure, as a result of that. This is a technical matter and is progressive for Irish Water. It is something which should be welcomed by the House for Irish Water. From the point of view of the baseline of Irish Water, it is something which is necessary, and that is the reason we have introduced the change.

Deputy Liam Twomey asked about benchmarking comparisons with Northern Ireland Water or other water authorities. I have a document with me on Irish Water's establishment costs which the CER has examined and perhaps some Deputies have also, although I appreciate they may not have gone through the detail. The document makes comparisons between the set-up costs of Irish Water and Northern Ireland Water. Northern Ireland's transformation programme included similar sub-projects to those undertaken by Irish Water. Interestingly however, in 2009-2010 Northern Ireland Water reported that it was spending £127 million on investment projects. Irish Water's estimated comparable costs for items such as IT and networks were under Northern Ireland Water's set-up costs.

Deputy Liam Twomey: Are these gross or comparative figures?

Deputy Alan Kelly: They are comparative figures. The report is available to Deputies who

wish to look at it.

Deputy Barry Cowen: The Minister's response has been somewhat meandering, rather than specific. Comments on this process have been made both outside and within the House and significant scrutiny is required to extract the information necessary, given the millions that have been and are being spent on this process.

This is not filibustering or about running down the clock, but it is necessary to extract information taxpayers are entitled to know. The Minister said in his meandering response - I took notes and may look at the transcript later to scrutinise his comments further before Report Stage - that the Valuation Office was understaffed, that some local authorities had carried out valuations, whereas others had not, and that the local authorities in Dublin and Waterford had many of theirs made and that there was a significant variation between theirs and others. He added that valuations were carried out by the Valuation Office of the assets and that the book value was €11 billion, but that figure must be reassessed to take depreciation, wear and tear into consideration and account of the fact that €48.725 million was paid last year in the form of commercial rates. Who paid €48.725 million last year to local authorities in the form of commercial rates on behalf of Irish Water?

Deputy Alan Kelly: Irish Water did.

Deputy Barry Cowen: On foot of valuations carried out by whom were these rates assessed and paid? On behalf of those I represent, I have been trying to extract from the Minister this necessary information before we proceed to the next stage, despite efforts by the Government to shut down the debate in 45 minutes, as happened on other sections, which contravenes the commitment made by the Taoiseach just two weeks ago. Did the Minister tell me in his response what valuations had been carried out and is the Valuation Office up to date on the networks transferred or which are in the process of being transferred from local authorities throughout the country to Irish Water? Have these valuations been made? When were they made? What are the valuations and how much is owing?

If the Valuation Office is not up to date and the excuse is that it is understaffed, when will it be staffed sufficiently to carry out these valuations and when will the local authorities be adequately resourced, as they should be, by virtue of the valuation and rate system we have in place, despite how archaic it is? Despite the Government's commitment to overhaul the system, it has failed to do so. The Government appears to have learned nothing from this sorry process. Does this prove once again that we are still guessing, still ill-prepared, still ill-advised and still in the process of scrutinising the legislation and finding fault with to the tune of a guesstimate in the realm of €59 million but which might be far more or less? The unfortunate position in which I find myself is that I just do not know. If it is not possible to provide the definitive answer that I have asked to be placed in the Oireachtas Library, will the Minister provide exact details of the €48.725 million paid on behalf of Irish Water to local authorities last year? I am not aware of the details from my consultation and conversation with members of local authorities. I do not have any definitive information at my disposal that valuations are up to date, that assets have been correctly valued and accounted for and that a commercial rate was applicable.

What is more, this lack of information further displays the rush on the part of the Government to further augment or subvent Irish Water's cost base. In doing this, it is putting at risk the model it has held up to view, which will allow it to borrow off-balance sheet in the future. With the subvention about which we have heard that may be applicable - at least €59 million

- and the subvention about which we learned last night - €460 million - the figure of 44% that the Minister mentioned is a long way from the truth. If that is the case, it will take EUROSTAT to expose it because we will not be allowed to expose it because of the way the debate is to be guillotined as usual. The day this is exposed by EUROSTAT will be the day Irish Water which is built on sand will crumble.

Deputy Billy Timmins: This section has been developed because of one of the fault lines in the creation of Irish Water, that it cannot meet its projected costs. I am concerned that the proposal may have unintended consequences and wish to raise two issues on foot of the Minister's contribution.

We have a banking inquiry that is ongoing, part of the reason for which is that in the past consultants and various groups got their figures wrong. We are inclined to believe that what they present is always correct. I have gone through the two PricewaterhouseCoopers, PwC, reports on the preparations made for the setting up of Irish Water. Is the Minister satisfied that the figures PwC used for the other boards which it used as examples - mention was made of Northern Ireland Water and Scottish Water - are correct? Is he satisfied that PwC based its assumptions on the most recent and correct figures?

In regard to local authorities, we are all aware that the assets and liabilities were to be transferred to Irish Water. It is very difficult to put a cost on assets. A number of years ago in my county the Department of the Environment, Community and Local Government carried out a survey of the water supply from County Wicklow to County Dublin. I understand it would not have been financially viable for the authorities in County Wicklow to seek to take it back owing to the cost required to be met in repairing the system. What liabilities or loans that should have transferred from local authorities to Irish Water have not been transferred? Perhaps the Minister cannot provide that figure today, but will he provide it at some stage?

Deputy Barry Cowen: He told us last night.

Deputy Brian Stanley: Approximately €160 million.

Deputy Billy Timmins: I am sorry, but I was unable to be present last night. The Minister need not respond on that issue. I will pick it up in the transcript afterwards.

Deputy Joan Collins: The section reflects the quagmire the Government is in as it tries to get the legislation through. As local authorities anticipate the collection of commercial rates from semi-State bodies and other companies, the Minister has introduced an amendment to ensure Irish Water will not be rateable from the point of view of its assets. He said the Local Government Fund would address the funding gap. The fund comprises VAT and motor tax and it amounted to an allocation of €1.2 billion to local authorities previously to fix the water services infrastructure. The money, therefore, is just being allocated in a different way, which is a farce. The Government parties have been on the back foot on this issue for the past number of months and they have introduced legislation that means nothing. They are following the orders of the troika to introduce a charge at the minimum level of €160 and €260 annually, even though that will have a huge impact on people's lives, and a conservation grant through the Department of Finance to try to cover all angles. The Government is trying to implement the word of its masters, the troika, and make it as easy as possible to bring this in in a Trojan horse manner up to 2018, when the full cost of recovery will have to be brought in anyway.

I welcome this change because it means that when Irish Water is abolished, there will not be

the complication of going to the local authorities to deal with it.

Deputy Brian Stanley: The Minister referred to Irish Water as a commercial company and he mentioned group water schemes. Such schemes are co-operatives and they are non-commercial. They are not in place to make a profit and that is the difference. Deputy Twomey said the subvention is great because it keeps costs down but it is not plucked out of the sky. The €460 million we wiped out last night, which the Minister for Finance must produce, is taxpayers' money. The conservation grant of €130, which will be given with the other hand, will come from public money while the €186 million coming from the NPRF is also public money along with the €250 million Exchequer subvention.

The Minister made two contradictory statements. He said the rates were paid but he then outlined that even DBO plants operated by private companies are exempt from rates. The local authorities, which are under funded, will wind up picking up this cost. The Minister has said many times Irish Water is a stand-alone company and there should be no difference between it and the ESB, Bord na Móna or any other semi-State body.

Deputy Alan Kelly: They will be exempt.

Deputy Brian Stanley: This company has been given special spoiled child status by the Government.

Deputy Paudie Coffey: Does the Deputy want to impose more charges on people?

Deputy Brian Stanley: The Government has given the company a blank cheque for the past two years.

Acting Chairman (Deputy Bernard Durkan): The Deputy should speak through the Chair.

Deputy Brian Stanley: The Minister is continuing with this today.

Acting Chairman (Deputy Bernard Durkan): I would like to allow the Minister to reply. The Deputy should resume his seat.

Deputy Brian Stanley: The taxpayer will pick up the cost for this monster the Minister has created.

Deputy Paudie Coffey: The taxpayer will pay for the Sinn Féin model at a much higher cost.

Deputy Liam Twomey: That is what is happening in Northern Ireland with the household charge.

Deputy Alan Kelly: I outlined the position on loans last night with €150 million to be transferred. Group water schemes, which are the backbone of rural Ireland and which many Members are vocal about, will be exempt from rates. This is critically important because the people running them have worked for decades to provide an adequate water infrastructure for their localities.

Local authorities reflect their asset book value in their accounts in line with local government statutes and, therefore, the 2013 financial statements outline their value. When the assets transfer to Irish Water, they will be shown leaving local authority accounts and showing up in

Irish Water's accounts in line with financial standards.

Irish Water paid the bill last year. It was sent a bill like everyone else and it paid approximately €48.725 million. The company paid €15,000 in rates in County Offaly.

Deputy Barry Cowen: The Minister will find the valuation is far in excess of €15,000.

Deputy Paudie Coffey: It is the same as for any commercial property.

Acting Chairman (Deputy Bernard Durkan): The Minister without interruption. Deputy Cowen had his own innings.

Deputy Alan Kelly: The company paid €198,000 in County Mayo and €760,000 in my own county.

Deputy Barry Cowen: The figures are not up to date.

Acting Chairman (Deputy Bernard Durkan): Allow the Minister to conclude.

Deputy Alan Kelly: We are exempting these from rates through the legislation. This is a pass through cost which supports Irish Water in what it is doing. It is the right thing to do. The company will be exempt from rates. It is a case of one side of the Exchequer paying another side.

Deputy Brian Stanley: The taxpayer.

Deputy Alan Kelly: A number of Members expressed concern about the cost base and the market corporation test but this is a helpful component.

Another Member asked about PwC. I have to accept the assumptions the company used and the work that was done. There has been a great deal of commentary about the CER. It is not up to me or anyone else to second guess the regulator, which is an independent authority that does a good job. There have been various criticisms of costs and so on but the CER independently verified everything and, for example, verified 95% of the set up costs. This is the independent regulator, which was asked to do this job, not the Minister or anyone else, and that should be respected. Second guessing the CER is not appropriate.

Deputy Barry Cowen: I ask that the Minister as a matter of courtesy to me and others place on the public record the valuations associated with the rates paid last year. He can put them on public record in the Oireachtas Library or wherever else he wants because there is no doubt they are a far cry from the real valuation associated with them. He said, for example, that the commercial rateable valuation on the network and plant in County Offaly is €15,000. My septic tank is worth that.

Deputy Paudie Coffey: That is irrelevant.

Deputy Barry Cowen: It shows again that the Government is ill-prepared, ill-advised and the Minister is no closer to the truth than was the case 18 months ago in respect of the valuations for the water services infrastructure the 34 local authorities.

Deputy Alan Kelly: It is a pass through cost.

Deputy Barry Cowen: The sum of €59 million is so wide of the mark it is hard to believe

but, as usual, as is the practice of the Government and all within it, they will close down debate and guillotine content that should be discussed on the open floor because they do not want the public to know the hames they are continuing to make of this. They have absolutely no idea of where they are going or what they are doing.

Deputy Paudie Coffey: Fianna Fáil wants to leave everything as it is - a broken system.

12 o'clock

Deputy Barry Cowen: There is no doubt that the Government's model, concept and construct will not only fail but will fail in Europe, and we look forward to walking the roads and having an election on the basis of the hames the Government has made of this.

Acting Chairman (Deputy Bernard J. Durkan): The time permitted for this debate has now expired. I am required to put the following question in accordance with the order of the Dáil of 16 December 2014: "That the amendments set down by the Minister for the Environment, Community and Local Government to section 12 and not disposed of are hereby made to the Bill and that section 12, as amended, is hereby agreed to."

Question put:

<i>The Dáil divided: Tá, 78; Níl, 40.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Barry, Tom.</i>	<i>Boyd Barrett, Richard.</i>
<i>Breen, Pat.</i>	<i>Broughan, Thomas P.</i>
<i>Bruton, Richard.</i>	<i>Collins, Niall.</i>
<i>Buttimer, Jerry.</i>	<i>Colreavy, Michael.</i>
<i>Byrne, Catherine.</i>	<i>Coppinger, Ruth.</i>
<i>Byrne, Eric.</i>	<i>Cowen, Barry.</i>
<i>Cannon, Ciarán.</i>	<i>Creighton, Lucinda.</i>
<i>Carey, Joe.</i>	<i>Crowe, Seán.</i>
<i>Coffey, Paudie.</i>	<i>Ellis, Dessie.</i>
<i>Collins, Joan.</i>	<i>Ferris, Martin.</i>
<i>Conaghan, Michael.</i>	<i>Fitzmaurice, Michael.</i>
<i>Conlan, Seán.</i>	<i>Flanagan, Terence.</i>
<i>Connaughton, Paul J.</i>	<i>Fleming, Tom.</i>
<i>Conway, Ciara.</i>	<i>Grealish, Noel.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Healy-Rae, Michael.</i>
<i>Costello, Joe.</i>	<i>Keaveney, Colm.</i>
<i>Creed, Michael.</i>	<i>Kelleher, Billy.</i>
<i>Daly, Clare.</i>	<i>Kitt, Michael P.</i>
<i>Deenihan, Jimmy.</i>	<i>McConalogue, Charlie.</i>
<i>Deering, Pat.</i>	<i>McDonald, Mary Lou.</i>
<i>Doherty, Regina.</i>	<i>McGrath, Finian.</i>
<i>Donohoe, Paschal.</i>	<i>McGrath, Mattie.</i>
<i>Dowds, Robert.</i>	<i>McLellan, Sandra.</i>
<i>Doyle, Andrew.</i>	<i>Martin, Micheál.</i>

<i>Durkan, Bernard J.</i>	<i>Mathews, Peter.</i>
<i>Farrell, Alan.</i>	<i>Moynihan, Michael.</i>
<i>Feighan, Frank.</i>	<i>Murphy, Paul.</i>
<i>Fitzgerald, Frances.</i>	<i>Naughten, Denis.</i>
<i>Fitzpatrick, Peter.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Gilmore, Eamon.</i>	<i>Ó Cuív, Éamon.</i>
<i>Griffin, Brendan.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>Hannigan, Dominic.</i>	<i>O'Brien, Jonathan.</i>
<i>Harrington, Noel.</i>	<i>O'Dea, Willie.</i>
<i>Harris, Simon.</i>	<i>Pringle, Thomas.</i>
<i>Hayes, Tom.</i>	<i>Shortall, Róisín.</i>
<i>Howlin, Brendan.</i>	<i>Smith, Brendan.</i>
<i>Humphreys, Kevin.</i>	<i>Stanley, Brian.</i>
<i>Kehoe, Paul.</i>	<i>Timmins, Billy.</i>
<i>Kelly, Alan.</i>	<i>Tóibín, Peadar.</i>
<i>Kenny, Enda.</i>	<i>Troy, Robert.</i>
<i>Kenny, Seán.</i>	
<i>Kyne, Seán.</i>	
<i>Lawlor, Anthony.</i>	
<i>Lynch, Kathleen.</i>	
<i>Lyons, John.</i>	
<i>McCarthy, Michael.</i>	
<i>McEntee, Helen.</i>	
<i>McFadden, Gabrielle.</i>	
<i>McGinley, Dinny.</i>	
<i>McNamara, Michael.</i>	
<i>Maloney, Eamonn.</i>	
<i>Mitchell, Olivia.</i>	
<i>Mitchell O'Connor, Mary.</i>	
<i>Mulherin, Michelle.</i>	
<i>Murphy, Catherine.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>Ó Ríordáin, Aodhán.</i>	
<i>O'Donovan, Patrick.</i>	
<i>O'Dowd, Fergus.</i>	
<i>O'Mahony, John.</i>	
<i>O'Reilly, Joe.</i>	
<i>O'Sullivan, Maureen.</i>	
<i>Penrose, Willie.</i>	
<i>Perry, John.</i>	
<i>Phelan, Ann.</i>	
<i>Quinn, Ruairí.</i>	

<i>Rabbitte, Pat.</i>	
<i>Reilly, James.</i>	
<i>Ring, Michael.</i>	
<i>Ross, Shane.</i>	
<i>Ryan, Brendan.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Twomey, Liam.</i>	
<i>Wallace, Mick.</i>	
<i>Walsh, Brian.</i>	
<i>White, Alex.</i>	

Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Michael Moynihan and Colm Keaveney.

Question declared carried.

Progress reported; Committee to sit again.

Leaders' Questions

Deputy Micheál Martin: Exactly one year ago the Government rammed through the legislation to establish Irish Water and water charges without any substantial debate. There have been massive public marches in opposition to Irish Water and numerous U-turns, the most recent of which was the Government's announcement that it wanted to bring clarity and certainty and to restore confidence where there was confusion. After the debate of the past week, people remain confused, baffled and bewildered, because the Government is making it up as it goes along. Last Wednesday evening, the Minister for the Environment, Community and Local Government and his entire project were exposed, because when one adds up the figures - the €165 million cost of the conservation grant, the cost of the metering project, at €41 million, and other administrative costs such as billing - if there is 80% compliance and 80% take-up of the grant, we are looking at a net revenue of €25 million per annum. That is after €539 million has been ploughed into the ground for meters that will never be read and €180 million has been spent on establishing Irish Water in the first instance.

The Government is desperate to do anything it can to reduce the cost of Irish Water so it can pass the famous market corporation test to remain off-balance sheet. Last night at the 11th hour, the Minister announced that the servicing and repayment of outstanding local authority loans which were to be transferred to Irish Water will instead be repaid by the Exchequer. Deputy Cowen asked about the transfer of loans last month and received a misleading reply from the Minister. Three devices have now been used to subsidise Irish Water so that it can pass this test. The first is the water conservation grant, costing €165 million, the second is the estimated €60 million for the rates attached to properties that were transferred, and the third is this €460 millions in loans. This is being done in a desperate bid to pass the test. One could not make it up. I ask the Taoiseach to go back to the drawing board and, more fundamentally, to have the confidence to ask the Comptroller and Auditor General to examine the value for money of this project. Will the Taoiseach or the Minister correct the record of the House regarding the reply issued to Deputy Cowen on 26 November, which stated that the process of valuing the liabilities to transfer to Irish Water was ongoing?

An Ceann Comhairle: Sorry, Deputy; we are over time.

Deputy Micheál Martin: Last night, the Minister indicated that the Government changed tack in May by deciding not to transfer all local authority liabilities to Irish Water. That was misleading information, and it is another example of the Government's attempt to keep the truth from the Irish people for as long as possible. That has been the defining characteristic of how this entire project has been handled.

The Taoiseach: Deputy Martin is the person who proposed water charges.

Deputy Billy Kelleher: No; Fine Gael proposed them in 2009.

Deputy Mattie McGrath: Freagair an cheist.

The Taoiseach: Deputy Martin is the person who proposed a charge of €400.

Deputy Billy Kelleher: Deputy Coveney proposed charges in 2009.

Deputy Tom Hayes: Four hundred euro.

An Ceann Comhairle: We do not need a chorus.

Deputy Tom Hayes: They do not remember their record beyond the last six months.

An Ceann Comhairle: Please do not interrupt.

Deputy Tom Hayes: I was just making a point.

An Ceann Comhairle: You will not make a point by shouting over the speaker. I ask Members to stay quiet.

The Taoiseach: Deputy Martin proposed a charge for water. He proposed a flat charge of €400, with no remission.

Deputy Micheál Martin: No, I did not. Do not tell untruths.

Deputy Tom Hayes: Four hundred euro.

Deputy Barry Cowen: Address the issue of the misleading information being provided to the House.

Deputy Tom Hayes: The truth hurts.

An Ceann Comhairle: I afforded silence for Deputy Martin and I expect the same for the Taoiseach while he replies. End of story.

The Taoiseach: In the past few days, Deputy Cowen proposed that these charges and all costs relating to Irish Water would be paid through the Exchequer. That means further tax increases, which Deputy Barry Cowen should explain. This matter has been assessed independently by the Commission for Energy Regulation and its assessments have been published for all to read. The Comptroller and Auditor General has always assessed the validity of financial arrangements under the statutory requirements after things have been set up.

The Deputy referred to the conservation grant. The Government estimates that it will cost

€130 million, but, as is the case with all Estimates, one must cater for the reality when something happens, for example, in the case of unemployed persons, the number who are likely to be unemployed next year or the year after. If the number of unemployed rises in any year, there must be a provision to meet the extra demand. The same applies to medical cards and other matters. In the case of the conservation grant, if there is a need for a further increase in the sum, it will be provided for. This has been independently assessed for its financial viability by the energy regulator. The grant will apply like every other facility and if there is increased demand, it will be provided for.

An unprecedented amount of time has been allocated for discussion of the Bill before the House. The Bill is about reducing charges and giving certainty to people that their water supply will not be cut off and that pressure will not be reduced. It gives certainty that Irish Water will never be privatised in the years ahead and that beyond 2019 the Minister of the day will have the authority to cap water charges to make them affordable, viable and fair. These are the issues that the people wanted to be dealt with when they marched a number of weeks ago. They wanted clarity and certainty about the cost factor and affordability. All of these matters are dealt with in the Bill under discussion in the House.

There were 19 Bills, the debates on which were guillotined in 2010, nine in 2011, ten in 2012 when the troika was here, 12 in 2013 and two this year. A total of 40 hours was allocated for discussion of the Bill.

Deputy Barry Cowen: We have still not got the answers.

The Taoiseach: It is not the same as last year.

Deputy Barry Cowen: The Taoiseach closed the debate down, rather than give them.

The Taoiseach: It is about reducing costs, clarifying that water pressure will not be reduced and that the water supply will not be cut off, giving people certainty that Irish Water will never be privatised and that after 2019 the Minister of the day will have the authority to cap water charges to ensure they will be affordable and fair.

Deputy Micheál Martin: It is important that the Taoiseach answer the questions asked and address the issues raised, not duck, dive and dodge all the time. The bottom line is that in a scenario in which there is 80% compliance and 80% take-up of the conservation grant net revenue will be €25 million. Most people ask, from a common-sense perspective, why the Government would spend almost €1 billion on establishing something for the sake of €25 million in revenue.

The Taoiseach talks about going off balance sheet. The Government has allocated up to €700 million to subsidise Irish Water through the three devices I mentioned. The latest one was revealed last night at 8 p.m., after a year of debate and procrastination, and the figure amounts to €460 million. Deputy Barry Cowen asked in November about the transfer of liabilities and the reply he received was that work was still under way in preparing balance statements for each local authority for their end-2013 positions and that this would be used in determining the value of the liabilities to be transferred to Irish Water. Last night the Minister said the Government had taken a decision in May not to transfer all liabilities to Irish Water, but nobody was informed of this publicly. Even as late as one month ago, the Minister deliberately misled the Deputy in the reply he gave to the question. The Taoiseach should correct the misleading information given.

Furthermore, this information is going to EUROSTAT. All of the manoeuvres by the Government in terms of commercial rates, last night's manoeuvre of an amendment being tabled at the eleventh hour and the water conservation grant are designed to pass the market test. That is what is driving water policy. What is plan B if the test is not passed?

Deputy Barry Cowen: Deputy Leo Varadkar.

The Taoiseach: The reason for setting up Irish Water is to deal with the legacy that has not been attended to for 50 years.

(Interruptions).

Deputy Micheál Martin: Answer the question.

Deputy Barry Cowen: The Taoiseach should answer the questions he was asked.

An Ceann Comhairle: Please allow the Taoiseach to reply. Deputy Micheál Martin had silence when he spoke and I expect the same for the Taoiseach.

The Taoiseach: There is no need to go through the litany of inefficiencies in the system, the number of kilometres of pipe work that is inferior, the extent of leakages throughout the system-----

Deputy Mattie McGrath: Change the record.

The Taoiseach: -----and the fact that in 2014 there are many towns where raw sewage is being pumped into rivers, lakes and the sea.

Deputy Micheál Martin: I notice that the Taoiseach is not disputing my figures.

Deputy Noel Harrington: The Deputy never includes the non-domestic sector.

The Taoiseach: This is not sustainable.

Deputy Barry Cowen: The Taoiseach is nearly there. He is running the clock down.

The Taoiseach: Last week and the previous week we were discussing climate change and Ireland meeting its targets.

Deputy Micheál Martin: The Taoiseach is really in trouble now.

Deputy Mattie McGrath: It will be the man in the moon next.

The Taoiseach: We simply must get the country right in this respect.

Deputy Micheál Martin: Does the Taoiseach dispute my figures?

The Taoiseach: The Deputy has said he wants a €400 charge and no remission, while the person beside him-----

Deputy Micheál Martin: I never said that.

(Interruptions).

Deputy Barry Cowen: The Taoiseach is going to continue misleading the Dáil.

(Interruptions).

Deputy Éamon Ó Cuív: A Cheann Comhairle, the Taoiseach has said that twice.

Deputy Frank Feighan: The Deputy is not the leader yet.

Deputy Jerry Buttimer: The heave is on.

An Ceann Comhairle: This is Leaders' Questions.

Deputy Éamon Ó Cuív: I challenge the Taoiseach to show where that was ever said. I challenge him to show where any figure was mentioned.

An Ceann Comhairle: Will the Deputy, please, resume his seat?

Deputy Micheál Martin: Does the Taoiseach dispute my figures?

The Taoiseach: This is the good Deputy from Cornamona who went around Connemara telling people that it would cost them €20,000 to fix their septic tanks.

(Interruptions).

Deputy Éamon Ó Cuív: It is about time the Taoiseach checked out what goes on there.

Deputy Billy Kelleher: The Taoiseach went around Roscommon saying he would keep the hospital open.

Deputy Frank Feighan: It is still open.

An Ceann Comhairle: Will the Taoiseach, please, finish his response?

The Taoiseach: That is the reason it was necessary to establish Irish Water.

Deputy Micheál Martin: The Taoiseach has not disputed my figures. It is extraordinary.

An Ceann Comhairle: This is not a circus; it is the House of Parliament. The Taoiseach should conclude, as we are way over time.

The Taoiseach: The figure required for investment in wastewater and sewerage schemes and water infrastructure has been stated on many occasions. That is the reason for the necessity to set up Irish Water and the expenditure in establishing it.

An Ceann Comhairle: We are five minutes over time on this question.

Deputy Robert Troy: The Taoiseach has not answered the question anyway.

The Taoiseach: The Government is happy that EUROSTAT's assessment which is completely independent will be met by the way Irish Water has been set up and its structure. We are happy that it will pass that test. The Commission for Energy Regulation has independently verified the validity of Irish Water.

An Ceann Comhairle: The rules of the House apply to everybody. I call Deputy Mary Lou McDonald. I want silence, not shouting and roaring.

Deputy Mary Lou McDonald: The long-awaited banking inquiry begins its first day of

taking evidence today, but that development has been overshadowed by the refusal of representatives of the European Central Bank to appear before the inquiry.

Deputy Emmet Stagg: Will the Deputy circulate her script?

An Ceann Comhairle: Please stay quiet.

Deputy Mary Lou McDonald: The ECB played a direct and central role in the matters the inquiry will examine. It had a central role in the inflation of the property and credit bubbles which burst so catastrophically. In 2010 the then ECB president, Jean-Claude Trichet, demanded that the State apply for a bailout to recapitalise the banks and that a vicious programme of austerity be imposed on the people. These demands were made using the threat of withdrawing emergency funding from the Irish banking system. The Government of the day succumbed to that threat and did the bidding of the ECB, thus saving the euro, the banks and the bondholders, as well as crippling the people with debt and austerity. Mario Draghi, the President of the ECB, once again demonstrates an arrogant disregard for this State and our people. The ECB's snub to the banking inquiry is not just unacceptable but a calculated insult. Mr. Draghi has given two fingers to the members of the inquiry, the Oireachtas and Irish citizens, and it is unacceptable. This morning, the Minister for Agriculture, Food and the Marine, Deputy Coveney, said the ECB had an obligation to attend the inquiry. Does the Taoiseach believe the ECB is obliged to attend the inquiry? What does he intend to do to ensure it faces up to its obligation? Has the Taoiseach or anyone in the Government been in direct contact with Mr. Draghi? Has anyone challenged him on his refusal to co-operate with the banking inquiry?

Deputy Colm Keaveney: They could Skype him.

The Taoiseach: Deputy McDonald gave two fingers to a number of people who were not here to defend themselves when she read from a confidential document given to members of the Committee of Public Accounts here last week. For that, she should correct the record.

Deputy Joe Carey: Hear, hear. It is disgraceful.

The Taoiseach: The ECB is not obliged to attend here but to respond to the European Parliament. Although I see no reason the ECB should not be represented at the banking inquiry, I cannot force it to attend. Mr. Draghi is more than competent to attend this banking inquiry or any other. In his position in the ECB he said he would do everything he could to protect the euro, and he has. This is very important to this country and all the eurozone members. I have not spoken to Mr. Draghi and asked him to attend the banking inquiry, which commences today with Mr. Peter Nyberg. On Thursday, Mr. Rob Wright is coming in to discuss the independent review panel and strengthening the Department of Finance. While I understand the ECB is not obliged to attend, it would be appropriate if it did; however, I cannot force it to.

Deputy Mary Lou McDonald: We are all too familiar with the ECB's efforts to save the euro. The people watching know from direct experience what the cost of it was. The previous Government was bullied, threatened and harangued into doing the bidding of the ECB. The country and the people were not bailed out; the banks were. We have had year after year and budget after budget of cutbacks and austerity. People know all about the ECB and its efforts to protect the euro. They also know the ECB has shown an utter disregard for the people and economy of this State. We also know, if we did not before, that the Taoiseach is a crawler.

(Interruptions).

Deputy Bernard J. Durkan: That is typical.

Deputy Pat Deering: That is 100% Gerry Adams.

Deputy Joe Carey: It is a disgraceful comment.

Deputy Bernard J. Durkan: The Deputy should withdraw the remark.

An Ceann Comhairle: That sort of language is unparliamentary.

Deputy Mary Lou McDonald: The Taoiseach is not prepared to call the institution to account. He said the ECB was not obliged to attend but that it should. What does the Taoiseach propose to do to ensure its representatives attend? He is not a disinterested bystander or onlooker. He is not - heaven forbid - Mr. Draghi's messenger boy. He is the Taoiseach of the country, and the people expect him to stand by them.

Deputy James Reilly: Is Deputy McDonald the messenger girl for Deputy Adams?

Deputy Mary Lou McDonald: Has the Taoiseach been in touch with Mr. Draghi? Will he be in touch with Mr. Draghi? What does he propose to do to ensure his co-operation with the inquiry, or will he, once again, doff his forelock and do the ECB's bidding?

(Interruptions).

Deputy Bernard J. Durkan: Will the Deputy withdraw her offensive remark? She should withdraw it.

Deputy Micheál Martin: What remark was that?

An Ceann Comhairle: The Taoiseach will deal with this issue.

The Taoiseach: Methinks the Deputy is stung because of her party's refusal to accept responsibility in respect of dealing with Northern Ireland issues.

Deputy Aengus Ó Snodaigh: The Taoiseach is a crawler to the Brits as well.

Deputy Dessie Ellis: The Taoiseach does not even know where Northern Ireland is.

The Taoiseach: If she speaks about crawling, I could remind her of a few events very quickly, although I will not do so here. The Deputy does not realise this country is recognised as having the fastest growing economy in Europe. Between 80,000 and 100,000 people are going to work who did not have that opportunity before. The number of people who are finding new jobs is increasing, which is important. The Deputy seems to want to get rid of the euro and return to a different type of currency. I am unclear what her projection is.

Deputy Mary Lou McDonald: I want the ECB to attend the banking inquiry and I want to know what the Taoiseach is going to do make it happen.

The Taoiseach: We know she wants to increase income tax by 8% and introduce a land tax and an exorbitant wealth tax for people who earn over €100,000. She does not seem to recognise that the Government has focused on the lower and middle-income group to give them relief and some certainty in the future in light of the sacrifices they have made.

The Deputy's question was whether the ECB is obliged to attend the inquiry. The ECB is

obliged to respond to the European Parliament. Sinn Féin has a number of Members in the European Parliament. I do not hear them asking these questions in the Parliament or telling us what they are doing out there. They seem to have vanished into some kind of vacant space. Deputy McDonald cannot come here before Christmas and be all things to all people, pretending she knows all the answers. Her party will not accept responsibility in Northern Ireland and could well be a catalyst in bringing down the institutions.

(Interruptions).

Deputy Caoimhghín Ó Caoláin: Will the Taoiseach give us an answer?

The Taoiseach: She does not understand that the ECB is responsible to the European Parliament. She does not want to appreciate that the ECB did a very big deal with Ireland in respect of our negotiations about the promissory note. She does not seem to understand that Mr. Draghi and the ECB have brought interest rates to an historic low so that business can thrive across the eurozone and the EU. Unlike the party she represents in some of its sectors, we are not in the business of forcing people who have no legal responsibility to turn up here.

Deputy Mary Lou McDonald: We know that.

The Taoiseach: I am sure Mr. Draghi would be more than competent to answer at the banking inquiry and I wish he would attend.

(Interruptions).

Deputy Aengus Ó Snodaigh: Will the Taoiseach ask him?

Deputy Sandra McLellan: Ask him.

Deputy Jonathan O'Brien: Ask him.

The Taoiseach: However, as I said already, I do not have the authority to require or force him. Of course I will ask him. However, I will not listen to a sham argument here when Sinn Féin's leader declines to accept responsibility for what he has done in Northern Ireland.

(Interruptions).

Deputy Bernard J. Durkan: Hear, hear.

An Ceann Comhairle: Could both sides stay quiet?

Deputy Pádraig Mac Lochlainn: It is a ridiculous comparison.

An Ceann Comhairle: Deputy Mac Lochlainn, would you mind staying quiet? Deputy Wallace is on his feet.

Deputy Pádraig Mac Lochlainn: It is difficult to stay quiet.

An Ceann Comhairle: If you cannot, then leave the Chamber.

Deputy Finian McGrath: It is the Christmas crackers.

Deputy Mick Wallace: Although there is always much talk about transparency here, as under the previous Government, secrecy seems to be the order of the day. Last week, I asked

the Taoiseach about surveillance being carried out by the British Government's communications headquarters, GCHQ, on cables in the Irish Sea. I asked whether the Government had sanctioned it; if so, under what legislation; and if not, what it will do to protect citizens' rights. The recent report on torture by the CIA also involves much secrecy around Shannon Airport. The US Senate's report on the CIA's use of torture has made little of American assurances that military aircraft passing through Shannon Airport do not carry military arms. The dogs in the street know they do. Given the extent of the report, it is pretty clear that Shannon Airport has been used for rendition flights as part of the torture programme. Normally, when talking about something that happened on Fianna Fáil's watch, as this did, the Government is jumping up and down to kick Fianna Fáil around. I am surprised the Government is not seeking to investigate this. Given all the information that has come our way regarding Shannon Airport, rendition flights and the CIA torture programme, does the Taoiseach not think it is time we had a full investigation into everything that has happened in Shannon Airport since 9/11?

Deputy Pat Breen: Where is the evidence?

Deputy Joe Carey: There is no evidence.

Deputy Pat Breen: The Deputy tried his investigation when he jumped the fence.

Deputy Niall Collins: The Deputies opposite are very quiet. Do they not represent Shannon at all over there?

Deputy Joe Carey: The Deputy should stay off the runway.

An Ceann Comhairle: Quiet please.

The Taoiseach: The Ministers for Justice and Equality and Foreign Affairs and Trade have been in touch constantly with the authorities from the United States in respect of rendition. Deputy Wallace will appreciate that this matter has been the subject of discussion in this House many times in recent years. I am unsure as to the kind of full investigation he is talking about. Clearly, the relationship between the United States and this country, no more than many other countries, deals with those issues. If the Deputy is suggesting the Government is not being told the truth about every flight that goes through Shannon, I would like to hear some evidence of the Deputy's proof of this. He states that every flight was carrying arms and weapons.

Deputy Mick Wallace: I did not say they all were.

Deputy Richard Boyd Barrett: He said "some".

The Taoiseach: The Deputy might explain to me what sort of investigation he is talking about, because there have been claims about this in the House on many occasions previously. They all were investigated, dealt with----

A Deputy: Like HIQA.

The Taoiseach: ----and discussed in the House in respect of the truth of the matter and transparency.

A Deputy: The Taoiseach means the Government asked the Americans.

The Taoiseach: Perhaps Deputy Wallace has some information I do not have.

Deputy Mick Wallace: I have plenty of information about it.

Deputy Noel Harrington: Share it.

Deputy Mick Wallace: WikiLeaks has revealed a considerable amount in the past couple of years regarding the same subject. Amnesty International also has done so.

Deputy Pat Breen: There is no proof Deputy.

An Ceann Comhairle: Please.

Deputy Mick Wallace: If the Taoiseach thinks not enough information has been brought forward already, I expect to have a former United States marine come forward in the new year who has passed through Shannon on a regular basis. He will give evidence to the fact that Ireland is in breach of international law in respect of things that have gone on in Shannon and how the United States has used the place.

Deputy Finian McGrath: Deputy Breen should be worried.

Deputy Mick Wallace: Given the assurances the United States has provided to different people around the world about what it does and does not do and given the extent of the CIA torture programme, has it any credibility left in this area? Since the events of 11 September 2001, the United States has completely contravened human rights law. It has abandoned it and has lost its moral value in this area.

An Ceann Comhairle: A question please.

Deputy Mick Wallace: Torture is illegal.

Deputy Joe Carey: It is torture being in here listening to the Deputy.

Deputy Mick Wallace: The murder of innocent civilians in foreign countries is illegal. Unwarranted surveillance of the Irish public is illegal in this State. Is the Government really serious about doing things differently than its predecessor? I ask because some transparency is needed on this entire area.

An Ceann Comhairle: Sorry Deputy, you are over time.

Deputy Mick Wallace: If Members bring more evidence to the Taoiseach in the new year, would he consider establishing an independent investigation on what has gone on at Shannon?

The Taoiseach: I thank Deputy Wallace. He asked whether the Government will do things differently than before and he has evidence of this even within the past fortnight. On foot of the new information that came forward in a recent television programme, as well as other documentation, the Government made a decision in respect of reopening the case with regard to what are known as the hooded men where torture was involved. Obviously, as Deputy Wallace is well aware, that original decision had implications for other cases around the world. I do not have any information about the former member of United States marines of whom the Deputy speaks but if that person is coming forward and is making available information of which the Government is not aware, obviously it will be happy to hear that information from the person involved. Moreover, the Minister for Foreign Affairs and Trade will take that up directly with the American authorities. Last week, I dealt with the question of the cables, their ownership, the requirement for High Court judges and the fact that unwarranted surveillance is not legal

and clearly, the Government would take a serious view of that. Of course, there is the question of major companies requiring information to be had or in issues of criminal activities where, under conditions, that information can be made available. Our country always has tried to measure up to the highest standards in respect of international law and if Deputy Wallace's contact has information that is not available to the Government, the Department or to the authorities, the Government will be glad to hear it in the new year.

Tributes on the Retirement of Member of Staff

The Taoiseach: If I may indulge for a moment with the Ceann Comhairle's permission, I wish to mention Andy Fitzgerald who is present here and who retires from the staff of the Houses of the Oireachtas tomorrow. Andy Fitzgerald has been a part of the environs of the House for 28 years and in that time he not only has been a professional and dedicated member of the team here but also one of the most cheerful at all times. No matter what the issue of the day or how difficult the debate had been, he always has a cheerful greeting as Members go about their business in the House. He was a tonic indeed when a tonic often was needed. He served here, with the Office of Public Works and with Teagasc over 40 years of public service. Indeed, his dad, Edward, served here from 1948 to 1981 and to continue the Fitzgerald family service, his nephew Darren joined the public service last year. Andy always has been a busy person and I wish him, Linda his wife and his four sons every happiness in the future. He has given the State 40 years of loyal and dedicated service of which he can be very proud. A Cheann Comhairle, I am sure I can speak for everybody in saying "thank you Andy and good luck for the future".

Deputies: Hear, hear.

Deputy Micheál Martin: On a personal level and on behalf of my party, I also wish Andy well on his retirement and thank him for his courtesy and warmth down through the years. There always is a smile on his face and I can understand the Taoiseach's need for a tonic now and again. He probably needs one this morning as well given the circumstances. However, it is a matter of immense pride to Andy that there is such a continued family connection to the House from his father to his nephew, who is coming in. Given the name Fitzgerald, it is entirely appropriate that Andy would be in a House like this, given the Fitzgerald connection from the very outset with Leinster House. I wish Andy a healthy retirement and thank him for his courtesy and warmth down through the years.

Deputy Mary Lou McDonald: On my own behalf and on behalf of Sinn Féin, I wish in the first instance to congratulate Andy for such an outstanding record of public service, as well as for his courtesy and decency to everybody who graces this House. I wish him well in what I am sure will be an interesting and active phase of retirement. I wish him a happy Christmas and best regards to his family. Comhghairdeas leis.

Deputy Emmet Stagg: Andy was well established here by the time I, who now am a long server, arrived in the place. When he told me during the week that he was of the age at which he would retire, I could not believe him because he is looking so well, even after 40 years of service to the public in various ways. I always have known him as someone who was very proud of the position he held in the House and he filled that role with great distinction and courtesy, as well as strictness where it was required. Like others, I wish Andy and his family a happy, long and active retirement, as I am sure it will be. I wish him a good season as well.

An Ceann Comhairle: As Ceann Comhairle, I wish to join with other speakers in wishing

Andy many years of happiness and good health, which is the important thing. I thank him for his service on behalf of all the Members of the House. Andy is a perfect example of what is a good, true public servant and I thank him again.

Order of Business

The Taoiseach: It is proposed to take No. 37*a*, statements on the European Council meeting of 18 and 19 December 2014; No. 37, Water Services Bill 2014 - Committee Stage (resumed) and Remaining Stages.

It is proposed, notwithstanding anything in Standing Orders, that the Dáil shall sit later than 9 p.m. tonight and shall adjourn on the conclusion of Topical Issues; the Water Services Bill 2014 shall not be reprinted, as amended in committee, before Report Stage; No. 37*a* shall be taken immediately following the Order of Business and the proceedings thereon shall, if not previously concluded, be brought to a conclusion after 65 minutes and the following arrangements shall apply: the statements shall be made by the Taoiseach and by the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order and who may share their time and shall not exceed 15 minutes in each case; a Minister or Minister of State shall be called upon to make a statement in reply which shall not exceed five minutes; and Private Members' business shall be No. 70 – Thirty-Fourth Amendment of the Constitution (Right to Personal Autonomy and Bodily Integrity) Bill 2014 – Second Stage (resumed) to be taken on the conclusion of No. 37 and shall, if not previously concluded, be brought to a conclusion after 90 minutes.

Tomorrow's business after Oral Questions shall be No. 8, Appropriation Bill 2014 - Order for Second Stage, Second and Remaining Stages and No. *a*1, Road Traffic (No. 2) Bill 2014 [Seanad] - Second Stage. It is proposed, notwithstanding anything in Standing Orders, that the following arrangements shall apply in relation to No. 8: the proceedings in relation to Second Stage shall, if not previously concluded, be brought to a conclusion after 45 minutes and the following arrangements shall apply: the opening speech of a Minister or Minister of State and of the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order, shall not exceed ten minutes in each case; such Members may share their time and a Minister or Minister of State shall be called upon to make a speech in reply which shall not exceed five minutes; the proceedings on Committee and Remaining Stages shall, if not previously concluded, be brought to a conclusion after 20 minutes by one Question which shall be put from the Chair, and which shall, in relation to amendments, include only those set down or accepted by the Minister for Public Expenditure and Reform.

An Ceann Comhairle: There are four proposals to be put to the House. Is the proposal for dealing with the late sitting agreed? Agreed. Is the proposal that the Water Services Bill 2014 shall not be reprinted, as amended in committee, prior to Report Stage agreed?

Deputy Micheál Martin: No. I put it to the Taoiseach that the degree to which the Government appears intent on ramming through the Water Services Bill 2014 prior to Christmas is extraordinary. I do not know what the hurry is because the charges have been put back to April by way of Government decision.

Deputy Bernard J. Durkan: Deputy Martin is play-acting.

Deputy Micheál Martin: I invite the Taoiseach to read the transcripts of the debate last night and from last Wednesday night, from which he will note a list of unanswered questions

from Deputies. Last night, when the Minister introduced an amendment to the value of €460 million, which is no small matter, Deputy Cowen-----

An Ceann Comhairle: We cannot discuss the Bill. This is about reprinting.

Deputy Micheál Martin: The process and the manner in which the House is being treated is what I am speaking about. Deputy Cowen has asked a series of parliamentary questions on issues pertaining to the Bill, one of which was tabled at the beginning of last month-----

An Ceann Comhairle: The Deputy cannot go through parliamentary questions now.

Deputy Micheál Martin: -----to which he got misleading replies. Last evening, the Minister, out of the blue and at the 11th hour, announced something which he expected Deputies to absorb and deal with then. A series of basic questions remain unanswered, including what is the total value of assets and liabilities being transferred to Irish Water? Even now, one year on from the debate on the first Bill, we do not know the answer to that question. I am not being awkward.

Deputy Bernard J. Durkan: When Fianna Fáil proposed the charge of €400 per household it did not know that either.

Deputy Micheál Martin: One would expect when Bills of this type are going through the House that clarity would be brought to those questions. That is all I am saying.

An Ceann Comhairle: The question is that the Water Services Bill 2014, as amended in committee, shall not be reprinted.

Deputy Micheál Martin: Clarity has not been brought to these issues. The fact that the Bill is not to be reprinted illustrates the haste and disorganisation in terms of the need to rush this legislation through. I cannot understand it. The water charges have been postponed until April so there is room to deal with this in a more orderly manner and, in particular, to ensure Deputies who have participated in the debate on it on a consistent basis get basic answers to the questions they have been consistently tabling, not only for the past month but for over 12 months.

Deputy Mary Lou McDonald: Unlike Deputy Martin I do understand the Government's anxiety to rush this Bill through on the eve of Christmas. The Government clearly has not heard the message from the people in that it continues its blarney about clarity and certainty. The clarity and the certainty that people require as the Taoiseach well knows is that the Government will abolish the domestic water charges. The Government is not prepared to do this and so is playing loose and fast with the parliamentary arrangements to get this Bill through. This is so reminiscent of the Government's approach to the Bill taken last year it is like Ground Hog Day.

I understand that it is customary to have a time for pause and reflection between the various legislative Stages. The Government is now seeking to overturn this. The Minister has brought forth substantial amendments to the Water Services Bill 2014 yet the Government is asking that we agree to the Bill not being reprinted although substantially amended. That is not on. All of this is a transparent attempt to get this legislation through before Christmas come hell or high water.

The Taoiseach: There have been claims that the Government has not listened carefully to people and that it has not heard the message from the people. I dispute that. We have listened very carefully and have heard the message very clearly and have acted responsibly. The vast

majority of people in this country know that we have to deal with the problem of manifestly unworkable and inferior infrastructure throughout the country.

On Deputy Martin's point, this Bill was debated for 11 hours on Second Stage and 21 hours have been allocated to Committee Stage. All of the questions raised have been referred to and dealt with by the Minister in one way or another.

Deputy Willie O'Dea: But not answered.

The Taoiseach: During the remaining hours of the debate today the question referred to by Deputy Martin can be asked directly of the Minister, as can any other questions that Deputies have. As I said, there was an 11-hour debate on Second Stage and 21 hours have been allowed for the Committee Stage debate.

Deputy Micheál Martin: Deputies have been asking these questions for the past 12 months.

An Ceann Comhairle: Please allow the Taoiseach to reply.

The Taoiseach: The provision of 21 hours for a Committee Stage debate is unprecedented. It is not a case of rushing something through here rather it is a case of rationalising the debate by way of grouping of amendments from Deputies and addressing them in the same way as occurs during debate on the Finance Bill or in the budgetary situation. Some 40 hours have been allocated to debate on this Bill.

Deputy Micheál Martin: And not a question answered.

The Taoiseach: There has been more than enough debate for people to repeat the issues *ad nauseam*.

Deputy Micheál Martin: The Minister introduced new material at 8 p.m. last night.

The Taoiseach: As I said, there was an 11-hour debate on Second Stage and 21 hours have been allocated for Committee Stage, of which a number of hours remain today during which time the questions which Deputies wish to ask can be asked directly of the Minister.

Deputy Willie O'Dea: We still do not know the value of the assets being transferred despite 40 hours of debate.

Question put: "That the proposal that the Water Services Bill 2014 shall not be reprinted, as amended on Committee Stage, before Report Stage be agreed to."

<i>The Dáil divided: Tá, 74; Níl, 47.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Barry, Tom.</i>	<i>Boyd Barrett, Richard.</i>
<i>Breen, Pat.</i>	<i>Broughan, Thomas P.</i>
<i>Bruton, Richard.</i>	<i>Calleary, Dara.</i>
<i>Burton, Joan.</i>	<i>Collins, Joan.</i>
<i>Buttimer, Jerry.</i>	<i>Collins, Niall.</i>
<i>Byrne, Catherine.</i>	<i>Colreavy, Michael.</i>

<i>Byrne, Eric.</i>	<i>Coppinger, Ruth.</i>
<i>Cannon, Ciarán.</i>	<i>Cowen, Barry.</i>
<i>Carey, Joe.</i>	<i>Creighton, Lucinda.</i>
<i>Coffey, Paudie.</i>	<i>Crowe, Seán.</i>
<i>Collins, Áine.</i>	<i>Daly, Clare.</i>
<i>Conaghan, Michael.</i>	<i>Ellis, Dessie.</i>
<i>Conlan, Seán.</i>	<i>Ferris, Martin.</i>
<i>Connaughton, Paul J.</i>	<i>Fitzmaurice, Michael.</i>
<i>Conway, Ciara.</i>	<i>Flanagan, Terence.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Fleming, Tom.</i>
<i>Costello, Joe.</i>	<i>Grealish, Noel.</i>
<i>Coveney, Simon.</i>	<i>Healy, Seamus.</i>
<i>Creed, Michael.</i>	<i>Healy-Rae, Michael.</i>
<i>Deenihan, Jimmy.</i>	<i>Keaveney, Colm.</i>
<i>Deering, Pat.</i>	<i>Kelleher, Billy.</i>
<i>Doherty, Regina.</i>	<i>Kitt, Michael P.</i>
<i>Donohoe, Paschal.</i>	<i>Mac Lochlainn, Pádraig.</i>
<i>Dowds, Robert.</i>	<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>McGuinness, John.</i>
<i>Fitzpatrick, Peter.</i>	<i>McLellan, Sandra.</i>
<i>Gilmore, Eamon.</i>	<i>Martin, Micheál.</i>
<i>Griffin, Brendan.</i>	<i>Moynihan, Michael.</i>
<i>Hannigan, Dominic.</i>	<i>Murphy, Paul.</i>
<i>Harrington, Noel.</i>	<i>Naughten, Denis.</i>
<i>Harris, Simon.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Howlin, Brendan.</i>	<i>Ó Cuív, Éamon.</i>
<i>Kehoe, Paul.</i>	<i>Ó Fearghail, Seán.</i>
<i>Kenny, Enda.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>Kenny, Seán.</i>	<i>O'Brien, Jonathan.</i>
<i>Kyne, Seán.</i>	<i>O'Dea, Willie.</i>
<i>Lawlor, Anthony.</i>	<i>Pringle, Thomas.</i>
<i>Lynch, Kathleen.</i>	<i>Ross, Shane.</i>
<i>Lyons, John.</i>	<i>Shortall, Róisín.</i>
<i>McCarthy, Michael.</i>	<i>Smith, Brendan.</i>
<i>McEntee, Helen.</i>	<i>Stanley, Brian.</i>
<i>McFadden, Gabrielle.</i>	<i>Timmins, Billy.</i>
<i>McGinley, Dinny.</i>	<i>Troy, Robert.</i>
<i>McNamara, Michael.</i>	<i>Wallace, Mick.</i>
<i>Maloney, Eamonn.</i>	
<i>Mitchell, Olivia.</i>	

<i>Mitchell O'Connor, Mary.</i>	
<i>Mulherin, Michelle.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>Noonan, Michael.</i>	
<i>Ó Ríordáin, Aodhán.</i>	
<i>O'Donovan, Patrick.</i>	
<i>O'Dowd, Fergus.</i>	
<i>O'Reilly, Joe.</i>	
<i>O'Sullivan, Jan.</i>	
<i>Penrose, Willie.</i>	
<i>Perry, John.</i>	
<i>Phelan, Ann.</i>	
<i>Quinn, Ruairí.</i>	
<i>Rabbitte, Pat.</i>	
<i>Reilly, James.</i>	
<i>Ring, Michael.</i>	
<i>Ryan, Brendan.</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.

An Ceann Comhairle: The next item on the Order of Business is the proposal for dealing with No. 37*a*, statements before the European Council meeting of 18 and 19 December 2014. Is that agreed? Agreed.

Is the proposal to deal with No. 8, Appropriation Bill 2014, and No. *a*1, Road Traffic (No. 2) Bill 2014, tomorrow agreed? Agreed.

There are only seven minutes left on the Order of Business, so I ask Deputies to leave the Chamber quickly if they are not participating.

Deputy Micheál Martin: Can the Taoiseach address the decision of Mr. Mario Draghi not

to address the banking inquiry, a matter that affects this Parliament and its relations with European Union institutions? His decision is wrong and unacceptable because of the role of the European Central Bank, ECB, in both the Irish and European banking crises but it is also an interesting decision in view of his attendance at the Bundestag.

An Ceann Comhairle: This is the Order of Business.

Deputy Micheál Martin: He answered questions from German parliamentarians. It is very important that all parliaments are treated the same. Parliamentarians in larger states do not have a greater entitlement to an audience with the ECB.

An Ceann Comhairle: Can Deputy Martin be fair to other Deputies?

Deputy Micheál Martin: I ask the Taoiseach to raise this matter because it is fundamental to the Oireachtas and the manner in which we do business and also to the relationship between the ECB and the Irish Parliament.

The Taoiseach will be aware that last June the Minister for Justice and Equality, Deputy Frances Fitzgerald, set up a panel of barristers to review more than 40 cases that families and others believed were not properly investigated. It was felt that the Garda did not do enough to deal with certain issues. The review was to take three months, but six months have passed and many families are anxious for at least an update. For example, the family of Shane Farrell, who was killed by a man with more than 40 previous convictions, approached me on this issue. Will an independent inquiry be set up as a result of the work of the review panel? When will the review panel publish its work? When will the criminal procedure Bill, which is to assist with the reform of pre-trial processes, be published and debated in the House?

When can we expect the housing regulation Bill? Threshold has criticised the Residential Tenancies Act 2004 as a threat to people renting properties in the long term because the Act allows landlords to remove tenants, re-advertise and seek higher rents. Many people continue to suffer because of this. The housing regulation Bill is meant to provide a regulatory framework for approved housing bodies. To ease the rental worries of thousands of people, can the Taoiseach outline when the Bill will be published?

The Taoiseach: As I said already, I believe it would be appropriate for Mario Draghi to attend the banking inquiry, as he is capable of dealing with any question. As I said to Deputy McDonald, the European Central Bank is obliged to respond to and engage with the European Parliament. I am not sure of the circumstances of the attendance of Mr. Draghi at the Bundestag. Was it an inquiry or did he merely address a finance committee? I feel strongly that he should attend the banking inquiry and I will speak to him about this tomorrow. As I pointed out, I cannot force him to attend, but I will make it clear that we would like him to do so.

Deputy Martin mentioned 40 cases that are being reviewed. These cases continue to be analysed by the legal panel that was set up for the purpose. I will give Deputy Martin an update on how the panel is proceeding with its work. The Deputy is aware that some of the cases go back many years and some have been dealt with by various authorities and agencies already.

The housing regulation Bill is due next year. I met the social affairs committee this morning and discussed related matters. Before people are removed from their rented accommodation in Dublin, they should know that they have tenants' rights and, before seeking support from the authorities, they can engage with the community welfare service, which helps many people

under such forms of pressure. After removal, they may need to seek assistance from the welfare authorities. The Bill, which will deal with this area comprehensively, is due next year. Many tenants seek support without first understanding their rights, and this issue should be clarified for people in those circumstances.

Deputy Mary Lou McDonald: Can the Taoiseach confirm that there will be a referendum on extending voting rights in presidential elections to citizens resident outside the State? Will this referendum be held in May 2015 to coincide with other referendum matter?

Will the Taoiseach allow time to debate the State's response to the ruling of the European Court of Human Rights in the case of Louise O'Keeffe and, by extension, victims and survivors of abuse in schools throughout the State down the years? The scheme concocted by the Government has been described as a minimalist interpretation of the ruling and has caused widespread anger, not least for Louise O'Keeffe, who described it as discriminatory and outrageous. It would be all the more outrageous if such a scheme were to go ahead without any scrutiny or debate in the Dáil.

The Taoiseach: I can confirm for the Deputy that the Government made two decisions yesterday on the holding of referendums. One was to authorise the Minister for Justice and Equality to draft the Bill on marriage equality. The second was to approve the drafting of the Bill on the reduction of the age of eligibility from 35 to 21 years to stand for election as President of Ireland, Uachtarán na hÉireann. This applies to citizens living in the State; it is not about an extension of voting rights, which is a separate matter. That question will be decided by a different decision. This is about a reduction in the age of eligibility from 35 to 21 years to stand for election as President.

Deputy Mary Lou McDonald: When will the Taoiseach make the decision on the other extension?

The Taoiseach: It applies to citizens living in the State. The referendums will be held on the same day in May next year.

Deputy Mary Lou McDonald: What about Louise O'Keeffe?

The Taoiseach: I met Louise O'Keeffe and the Minister for Education and Skills, Deputy Jan O'Sullivan, some time ago. We said we would bring forward a memo before the Christmas recess. The Minister presented it yesterday. As the Deputy is aware, the award is based on that determined by the European Court of Human Rights. In that sense, it is an important step. Clearly, it is impossible to determine the number of potential cases if we were to have a general assessment throughout the country, but it could run into thousands. The Minister was clear and careful in her response on the matter. These things will never please everyone.

Deputy Mary Lou McDonald: It did not please Louise O'Keeffe.

The Taoiseach: We indicated that we would make a decision on the matter before Christmas and that has happened. There will be no objection to having a debate on it in the new year.

An Ceann Comhairle: I am afraid that the clock has beaten us.

Topical Issue Matters

An Ceann Comhairle: I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 27A and the name of the Member in each case: (1) Deputy Áine Collins - the impact special areas of conservation are having on the livelihoods of small farmers in rural areas; (2) Deputy Anthony Lawlor - the provision of funding to progress the N7 upgrade, Osberstown interchange and Sallins bypass projects to construction stage; (3) Deputy David Stanton - to ask the Minister for Education and Skills to debate the urgent need to secure a site for a new amalgamated school in Carrigtwohill for the existing two primary schools, Scoil Mhuire Naofa, roll No. 18000W, and Scoil Chlochair Mhuire, roll No. 17103E, both of which are struggling to meet the demand for places, as well as the new second level school planned for the town; (4) Deputy Michael McGrath - the loss of routes and the reduction of services at Cork Airport; (5) Deputy Pat Breen - the need to provide emergency funding for immediate prefab replacement at CBS Ennistymon, Ennistymon, County Clare; (6) Deputy Joe Costello - the need to implement the design manual for urban roads and streets in Phibsboro, Dublin 7; (7) Deputy Michael McNamara - the enforcement of the prohibition on the use of Irish airspace, airports and related facilities for purposes not in line with the dictates of international law; (8) Deputy Fergus O'Dowd - the treatment of residents of Áras Attracta; (9) Deputy Terence Flanagan - the processing of medical card applications in the primary care reimbursement service; (10) Deputy Martin Heydon - the need for funding to progress the N7 upgrade project; (11) Deputy Michael Colreavy - mammography services at Sligo Regional Hospital; (12) Deputy Maureen O'Sullivan - the need for drug-free accommodation to be separate from those in active addiction in view of proposed changes at the YMCA hostel on Aungier Street; (13) Deputy Martin Ferris - a proposal for the setting up of volunteer visiting committees to visit HSE-funded residential settings for people with disabilities; (14) Deputy Brendan Smith - the need for the Minister for Foreign Affairs and Trade to provide an update on the impact on trade between the European Union and Russia in view of the imposition of sanctions; (15) Deputy Seán Kenny - the delay by NAMA in the handing over of apartments at Calderwood Court, Drumcondra, Dublin 9, to the National Association of Building Co-operatives; (16) Deputy Dessie Ellis - the need to discuss the importance of the school completion programme and the possible negative effects of cuts to the programme for areas with a history of educational disadvantage; (17) Deputy Mick Wallace - the need to discuss the terms of reference of a commission of investigation into the findings of the Guerin report; (18) Deputy Clare Daly - the need to discuss the terms of reference of a commission of investigation into the findings of the Guerin report; (19) Deputy Niall Collins - the need for the Minister for Justice and Equality to outline when a commission of investigation will be established into the circumstances surrounding the death of Ronan McLaughlin; when the commission of investigation will be established, as recommended in the Guerin report; and when the Fennelly commission of investigation will publish its report; and (20) Deputy Mattie McGrath - the need for the Minister for Social Protection to clarify the status of enhanced redundancy payments for former employees of the Tipperary hostel.

The matters raised by Deputies Seán Kenny, Áine Collins, Pat Breen and Michael Colreavy have been selected for discussion.

An Bille um an gCeathrú Leasú is Tríocha ar an mBunreacht (Cearta Geilleagracha, Comhdhaonnacha agus Cultúir), 2014: An Chéad Chéim

Thirty-fourth Amendment of the Constitution (Economic, Social and Cultural

Rights) Bill 2014: First Stage

Deputy Thomas Pringle: Tairgim:

Go gceadófar go dtabharfar isteach Bille dá ngairtear Acht chun an Bunreacht a leasú.

I move:

That leave be granted to introduce a Bill entitled an Act to amend the Constitution.

For too long economic, social and cultural rights have largely been excluded from the political and legal systems. It is almost 25 years since Ireland ratified the International Covenant on Economic, Social and Cultural Rights, thereby agreeing to be bound by its provisions, yet the covenant has never been given legal effect in Ireland.

Prevailing myths and misconceptions about economic, social and cultural rights, combined with a lack of political will, have hindered their application in Ireland. However, the recommendation on such rights made by the Constitutional Convention earlier this year reinforces the need for the Government to move forward and give greater legal protection to them in Ireland. What has happened since? Limited provision is made for economic, social and cultural rights in Bunreacht na hÉireann. Enshrining such rights in the Constitution would bring Bunreacht na hÉireann into line with the growing trend in many countries that have revised their constitutions to include economic, social and cultural rights. Making such rights legally enforceable would address the current imbalance in their protection. Moreover, it would strengthen accountability and ensure people had access to a remedy if their rights were not upheld. The right to a remedy is a fundamental concept of human rights law.

The proposed wording of the Bill is intended to be in addition to the text of Article 45 of the Constitution to the effect that the State shall progressively realise, subject to its maximum available resources and without discrimination, the rights contained in the International Covenant on Economic, Social and Cultural Rights and that this duty is cognizable by the courts. Last February 85% of the members of the Constitutional Convention voted in favour of amending the Constitution to strengthen the protection of economic, social and cultural rights. A majority of members of the convention voted in favour of a constitutional provision to progressively realise such rights, subject to the maximum available resources, and to enshrine that this duty be cognizable by the courts. The convention voted on whether specific additional rights should be enumerated in the Constitution and voted in favour of a proposal that all of the rights contained in the International Covenant on Economic, Social and Cultural Rights be enumerated within the Constitution. The Bill is intended to give effect to that determination.

An Ceann Comhairle: Is the Bill opposed?

The Taoiseach: No.

Cuireadh agus aontaíodh an cheist.

Question put and agreed to.

An Ceann Comhairle: Since this is a Private Members' Bill, Second Stage must, under Standing Orders, be taken in Private Members' time.

Deputy Thomas Pringle: Tairgim: "Go dtógfar an Bille in am Comhaltaí Príobháideacha."

17 December 2014

I move: "That the Bill be taken in Private Members' time."

Cuireadh agus aontaíodh an cheist.

Question put and agreed to.

Pre-European Council Meeting: Statements

The Taoiseach: This week's meeting of the European Council presents an important opportunity to demonstrate that the European Union is taking further concrete steps to address the falling growth rates and high unemployment which characterise the current economic situation throughout Europe. It will focus, in particular, on setting out the strategic orientation of a plan to boost investment levels in Europe. It will also consider issues relating to the 2015 European semester. In addition, I expect the European Council to underline the European Union's firm commitment to tackle aggressive tax planning and unfair tax avoidance as part of broader global efforts in this regard.

On the external relations front, the European Council will return to consider the situation in Ukraine which remains disturbingly fragile. The European Commission President, Mr. Juncker, and the High Representative, Ms Mogherini, will provide an update on actions taken by the European Union in response to the Ebola crisis. The European Council may again consider how the European Union can most effectively stem the flow of fighters from different countries to conflict zones.

This week's European Council will be the first since Presidents Tusk and Juncker and their respective teams took up their new positions. I look forward to working closely with them in the period ahead.

Irish economic recovery remains firmly on course. We expect GDP growth of 4.7% this year. According to the Commission's forecasts, Ireland will be Europe's fastest growing economy. The tough decisions already taken by the Government will bring the deficit below 3% of GDP next year, allowing us to exit the excessive deficit procedure. Significantly, our unemployment rate is falling and down to 10.7% from a high of 15.1% in 2012. This positive outlook is tempered by the fact that recovery in the wider European Union is feeble at best. GDP growth this year is expected to be approximately 1.3% for the European Union as a whole and as low as 0.8% in the euro area. The situation is compounded by decidedly low inflation. In its autumn forecasts the Commission acknowledges that risks are tilted towards the downside. A prolonged period of economic stagnation in Europe would undoubtedly present serious challenges for Ireland's future economic growth. Sitting back and waiting for recovery to take hold spontaneously is simply not an option. It is welcome, therefore, that in his first remarks as President of the European Council Donald Tusk made explicit reference to the need for ruthless determination to end the economic crisis.

The focus this week will be on how to improve Europe's investment framework and simultaneously boost investment levels. Productive investment in the European Union is lagging 15% behind pre-crisis levels, making it clear that concerted and creative action is required to get the necessary levels of investment flowing again. Our discussions will centre on the investment plan for Europe which was recently proposed by President Juncker. The plan aims to mobilise €315 billion in net additional investments in the economy in the next three years. The proposals are designed to attract private investors by reducing complexity, sharing risk and delivering priority projects with economic and social benefits that would not otherwise be realised. The

investment plan has three key strands including the creation of a new European fund for strategic investments, which would deploy an initial guarantee of €16 billion from the EU budget and €5 billion from the EIB to leverage a total investment package of €315 billion, the bulk coming from private investors. Member states will also be encouraged to contribute to the seed capital of the fund. A credible investment project pipeline will be established in tandem with an assistance programme to channel investments where they are most needed and there will be an ambitious roadmap intended to make Europe a more attractive location for investment, including through removing regulatory barriers.

There are many aspects of the proposed new fund that will require work over the period ahead - for example, governance arrangements, modalities for project selection and how to ensure that private investment is leveraged to the maximum. The European Council will not be discussing the finer detail but is instead expected to endorse the broad strategic orientations of the plan. A legislative proposal to be brought forward by the Commission early next year will provide further operational detail.

At the European Council I intend to convey Ireland's strong support for the establishment of the fund and for wider efforts to improve the investment climate in Europe. This includes making real and rapid progress on aspects of the Single Market which have yet to be delivered in full, in particular the digital agenda, energy union and services. It is also important that negotiations on trade agreements, especially those with the United States, be advanced urgently.

The Commission proposal to set up the fund has received its share of criticism, with questioning from some quarters as to whether the leverage ratio of 1:15 is realistic. Of course, the fund is not and cannot be some magic bullet. However, when implemented in tandem with structural reforms and growth-friendly fiscal consolidation and with the full use of monetary policy instruments by the ECB, it has the potential to make a tangible difference. It will complement already programmed expenditure under the Structural Funds and the ongoing lending of the European Investment Bank.

Early and decisive implementation of the fund and associated projects will be essential for the credibility of the initiative. That is why we are looking at the ambitious target of mid-2015 for mobilisation of the first new investments. Commission Vice President Katainen has already kicked off a 28-country road show to showcase the initiative, starting last Monday in Romania. The decisive backing of the European Council this week for the initiative will lend important impetus.

As the detail of the fund is worked out, we will also be considering carefully how it might be of benefit to investment in Ireland. While project criteria remain to be clarified, the factors likely to influence decisions are the added value for the EU, over and above what is possible through existing instruments; economic viability and value; whether a project can commence in the coming three years; co-operation across frontiers; and, above all, the potential of the project to attract private investment. Another important issue will be how the Commission will follow up on recent indications that it will look positively at capital contributions from member states when assessing how they are delivering on their Stability and Growth Pact commitments.

A taskforce led by the EIB and the Commission recently compiled a list of projects from across Europe that could be considered ripe for investment, whether from the new fund or elsewhere. Ireland, along with other member states, submitted a broad list of projects across a range of economic sectors which could commence within the next three years. Given the

timing constraints, this was very much intended as a preliminary and indicative list. It will, of course, be further examined and revised and I expect it will be narrowed down significantly over the coming months. Relevant Departments, co-ordinated by my Department, will closely engage with the negotiation of the legislation setting up the fund. They will also work to see if there are possible opportunities for Ireland, over and above those projects for which other funding sources are available. Of course, if the fund helps significantly to boost investment and growth in the Union generally, that will also have knock-on positive effects for Ireland. Boosting investment is one of three pillars that will underpin the European Semester in 2015 – the other two being structural reform and fiscal responsibility. These are set out clearly in the Commission’s recently-published annual growth survey, and the European Council this week is expected to reaffirm its commitment to all three pillars.

As Deputies will be aware, the Commission’s opinions on member states’ draft budgetary plans were also published recently. Ireland was one of five member states found to be fully compliant with the provisions of the Stability and Growth Pact, along with Germany, Luxembourg, the Netherlands and Slovakia. This is a real vote of confidence in our management of our public finances. The Government is committed to continuing its policy of prudent fiscal management as Ireland exits next year from the excessive deficit procedure.

The European Council is also expected to welcome proposals made by the Commission to streamline the European semester process. These are intended to facilitate more meaningful dialogue between member states and the Commission before specific country-specific recommendations are proposed. Ireland’s aim is to use the new arrangements to support a richer national-level dialogue including with relevant Oireachtas committees and with economic and social interests, on how the European semester can best feed into and reinforce our national recovery effort.

The European Council is also expected to note that there will be a substantive discussion of economic co-ordination within the Economic and Monetary Union at its meeting next February, on the basis of initial work by the President of the Euro summit with the heads of the Commission, the Eurogroup and the ECB. Ireland is ready to play a full and active part in discussions, and I will update the House accordingly in due course.

It is now expected that the European Council will briefly consider tax avoidance and aggressive tax planning - issues which are currently very much in the international media and political spotlight. Ireland is committed to working with our partners in the EU as part of a wider global effort to tackle these issues. In this regard, the European Council is expected to look forward to the proposal recently promised by the Commission on the automatic exchange of information on tax rulings in the EU. We are contributing very actively to the work in the OECD on base erosion and profit shifting, which is essentially about modernising international tax administration and fitting it for the globalised world economy which is now a reality. What we have consistently stated is that from a tax policy perspective Ireland will play fair but will also play to win. This belief led the Government to make a number of amendments and enhancements to our tax regime to best position that regime for the future. These changes, announced on budget day, were accompanied by a new roadmap for Ireland’s tax competitiveness. This roadmap updates last year’s international tax strategy and contains a comprehensive package of competitive tax measures which will help ensure that Ireland maintains and expands its position as a thriving hub for foreign direct investment well into the future. Our actions and commitments have been broadly welcomed, including by EU Commissioner Vestager and by the OECD. At the European Council and in other EU fora, Ireland will contribute constructively to taxation-

related discussions, as we always do, while simultaneously holding a firm line that matters of direct taxation remain a member state competence. Let me underline once again that our single and transparent corporation tax rate of 12.5% is not under discussion. Our partners can have no doubts as to our unswerving determination on this. I understand there will be an investigation of the taxation measures in all countries.

The European Council will consider the current situation in Ukraine. I understand that President Tusk rightly sees this issue and the general question of the EU's relationship with Russia as the single most important geopolitical issue facing the Union. He believes it is timely to have a broad debate among leaders, although no proposals to change the EU's current policy or sanctions arrangements are on the table. Ireland remains deeply concerned by the ongoing crisis and in particular by the levels of violence and troop movement on the ground in eastern Ukraine. While there has been some reduction in the level of violence in the past week or so, the situation clearly remains fragile. It is vital that all sides, including Russia, renew their commitments to the Minsk agreements and work to ensure that they are fully respected. A lasting ceasefire remains key to the success of current efforts to reach a sustainable and peaceful end to this crisis. Such a resolution must be based on respect for Ukraine's independence, sovereignty and territorial integrity and with clear guarantees on border security, disarmament of all illegal groups and the withdrawal of foreign forces. The formation of a new government in Ukraine following the successful parliamentary elections in October is welcome. It must seize the mandate for reform given by the people of Ukraine and move quickly to begin implementing much needed political, economic and constitutional reforms. A genuine and effective reform process must be an integral part of the strategy to help de-escalate and resolve the crisis. We are hopeful that the EU's measures in relation to Russia, coupled with continued political and diplomatic engagement with the various sides involved in the conflict, will ultimately lead to a breakthrough and a negotiated solution to the conflict. The EU remains open to taking further steps as required, in light of developments on the ground. The EU stands ready to support Ukraine at this time of transition and through the challenges that lie ahead.

The Minister of State, Deputy Dara Murphy, will update the House on the remaining elements of the European Council agenda. I will return to the House next month to report on the outcome of this week's meeting.

Along with others, I intend to raise at the European Council meeting the question of the outrageous wanton murder of children in Pakistan which was so devastating. I will be in Brussels tomorrow and I am not sure if the Dáil will sit next week. If the House sits, that is fine but in the event that it does not sit, I take this opportunity to wish everyone in the Oireachtas a happy and peaceful Christmas, in particular the staff who serve us so well, members of the media and Press Gallery and all those who support Members in their work. I hope that despite the occasional words we have in the Chamber, everyone will enjoy Christmas with their families. I appreciate all the support provided during the session.

Deputy Micheál Martin: I wish the Taoiseach and his family a happy Christmas. We will re-engage in the new year.

This week's Council meeting will be the first under the Presidency of Donald Tusk. While Mr. Tusk has not yet had enough time in office to shape the agenda, his appointment is a cause of optimism for all those who want a more active and responsive Europe. He was a progressive and successful Prime Minister of Poland and consistent friend of Ireland. As Minister for Foreign Affairs, I had regular and close working relations with his Government. I have no

doubt that building on the strong bonds of friendship between our countries will be a priority for Ireland. I wish President Tusk well and encourage the Taoiseach to issue an early invitation for him to visit Ireland and, if possible, address the Oireachtas.

While I welcome Donald Tusk's appointment, I do not welcome the fact that the Taoiseach failed again to raise the case of Ireland's treatment on bank related debt during the appointment of a senior European Union official. In 2011, the Taoiseach nodded through Mario Draghi without any discussion with him. This year, he has supported Jean-Claude Juncker and Donald Tusk without once raising the issue of what their approach would be to the adverse impact of now abandoned EU policies on Ireland.

It is more than two years since the Taoiseach returned breathlessly from a summit to state that the link between sovereign and banking debt had been broken and recompense for Ireland was in the bag. The Ministers for Finance and Public Expenditure and Reform, Deputies Noonan and Howlin, respectively, confirmed that Ireland was seeking money but refused to indicate how many billions were being sought. Today, we are in the absurd position that the Taoiseach will not even state if we are seeking anything, let alone explain the reason his claims of 2012 have failed to materialise. This is par for the course from a Government which is more interested in negotiating press conferences than engaging in a real campaign to obtain full justice for Ireland's case. Deputies should reread all the statements on the issue made at the time by the Taoiseach and then Tánaiste as well as media commentary and contrast them with the language and rhetoric the Taoiseach now uses on the same decision and issue. In the past, we observed the ridiculous spectacle of the Taoiseach expressing the hope of securing a particular interest rate cut for Ireland at a summit and, when Greece negotiated a cut four times greater than the figure we sought, proceeding to praise himself for his visionary leadership. Last week, the policy of pushing nothing but picking up what was coming in any case was eulogised by Ministers as decisive in turning the country around. What is striking is how these fairytales, once so persuasive, have been completely seen through. No one believes them any more. What is worse is that the campaign of self-congratulation is directly getting in the way of Ireland asserting its right to fair treatment. We will not receive fair treatment by accident but only if the Government does what it has thus far failed to do, namely, set out exactly what Ireland wants and how it proposes to get it.

On the promissory notes deal, if current policy continues, the Central Bank of Ireland will sell off its holdings of Irish bonds faster than planned. As a result, the entire claimed benefit of the deal would disappear and the policy would cost Ireland more than the previous scenario. Ireland needs to get serious in its engagement with the European Central Bank. While the ECB has political independence, as is appropriate, this does not mean a country cannot forcefully represent its opinions. The refusal of the ECB to participate in the banking inquiry is a disgrace and must be challenged. Its intervention in European Union policy and in respect of Ireland's ability to burn bondholders was decisive, particularly in 2010, in the failures which pushed us out of the bond market and obliged us to assume additional layers of debt.

The final three years of Mr. Jean-Claude Trichet's presidency of the European Central Bank were a disaster for Europe and Ireland. No meaningful inquiry can report without addressing the ECB's role. As I noted, representatives of the ECB attended the Bundestag and should not, therefore, get away with taking a selective approach to these matters. Let us also remember that the European Central Bank is also our central bank and its role is to serve the citizens of this State as much as those of any other European Union member state. Its arrogant and unacceptable attitude should not be allowed to stand.

It is also completely unacceptable that the European Central Bank continues to retain profits from its holdings of Irish bonds. If this money were returned to Ireland in full, as it is to Greece, it would make a significant contribution to reversing damaging cuts in important public services.

This is a moment when the European Central Bank, under the presidency of Mr. Mario Draghi, is preparing to undertake unprecedented action to save Europe from deflation. If Mr. Draghi had been the president of the ECB five years ago, Ireland's position would have been radically different and the bank would certainly not have pursued a policy of allowing damage to accumulate before adopting new policies. It appears likely that Mr. Draghi will announce the start of a major programme of asset purchases on 22 January 2015. This is by far the most important economic stimulus being discussed in any forum in Europe. A major counter-attack is under way, in particular by Germany, which is threatening to take the European Central Bank to court to stop the stimulus. The Bundesbank chairman went as far as to describe the rest of Europe as lemmings which were about to lose everything with quantitative easing. While many politicians in many countries have contributed publicly to the debate, thus far, not a peep has been heard from Ireland. A defining debate is reaching its final stages. It may decide whether there is a European recovery or a period of long, slow deflation and recession. Ireland should stand squarely with those who argue that carrying on with the same policies is not acceptable. Every European institution has a duty to go to the limits to try to stop the deflationary spiral.

Ireland also has an opening in that even the Bundesbank president has stated that national central banks could carry more of the burden of asset holdings. If the European Central Bank were to transfer to the Central Bank of Ireland its Irish bonds and allow the bank to retain and build its stock of Irish bonds, it would be of immediate and significant help to Ireland. The Taoiseach should get off the fence and start supporting a radical change in the actions of the European Central Bank in order that it becomes an enabler rather than a destroyer of growth in the European economy.

The published agenda for the summit gives only a general outline of what is to be discussed under the heading, Economic and Social Policy, although it mentions the initiative of the Commission President on investment spending in the next three years. The figure involved in the initiative is not €300 billion and it will not be an additional €300 billion. It is in the order of €10 billion in existing funding that is to be directed to measures which, it is hoped, will allow the rest to be leveraged from the European Investment Bank and private sector. This investment is too small to stimulate the European economy and is almost designed to fail to meet its targets. I hope it fulfils its targets and that the Government has developed a plan for maximising the return to Ireland. If there is such a plan, it has been kept secret for some reason. The Taoiseach cited a number of projects that have been submitted for early consideration under this fund. Perhaps he will provide me with a copy of the list of projects. There is no reason such a list should not be published. The issue of corporation tax may arise again. It is not yet clear whether Luxembourg did anything illegal on the issue of transferring tax liabilities when Commission President Juncker was the country's Prime Minister. What is clear, however, is that much of what has been said about corporation tax in recent years has been hypocritical and the focus on Ireland has been wildly disproportionate. Our corporation tax is fair and transparent. If others want to end tax competition, it is their duty to outline how they propose to support smaller and peripheral economies to compete fairly and retain employment.

Rebalancing investment towards the larger economies would be a basic betrayal of the European compact in place since the Maastricht treaty was ratified. The House has not sufficiently

debated this issue. On the one hand, certain people want to throw away our entire corporation tax regime while, on the other, the Government appears to be moving towards acquiescence to an agenda being promoted by the OECD and richer countries which want some of this tax revenue. The base erosion and profit shifting, BEPS, process and moves towards a consolidated tax rate in Europe have the potential to be injurious to Ireland's foreign direct investment proposition and capacity to attract inward investment. We should be cautious about embracing some aspects of this agenda without fully thinking through the implications for future investment in Ireland.

The summit is also due to consider briefly the response to the Ebola crisis. As I said before, in proportionate terms, Europe's response has been generous and effective, and should be increased. The west African countries which are worst hit need our help and resources. Where there has been real partnership between local communities, national administrations and international aid organisations, major progress has been seen. We know what needs to be done and there is no excuse for failing to commit to provide whatever funding it takes to turn back this horrible virus.

While it does not appear on the formal agenda, it is likely that the situation in Syria will be discussed again. This has the potential to turn into one of the greatest human tragedies of the 21st century. The scale of the displacement of people is breathtaking, and the misery being imposed on Syrians is growing all the time. This matter was addressed briefly yesterday during Leaders' Questions. I repeat here my belief that Europe must step up its aid to refugees. Ireland can be proud of its record as the highest *per capita* donor, and I acknowledge the personal commitment of the Minister for Foreign Affairs and Trade, Deputy Charles Flanagan, to this issue at meetings of the Foreign Affairs Council.

I would also like to agree with comments made here yesterday about how the Kurdish forces are central to pushing back the Assad regime and ISIS. Both claim to be different, but are offering nothing but misery and brutality to the Syrian people.

Turkey's growing authoritarianism is something we must stand against. The widespread attack on free media is unacceptable. Within Turkey the PKK has shown its goodwill. At this moment it is an essential - perhaps the essential - element required to stop barbarous armies. It is time for Ireland and Europe to recognise this and support the PKK in Syria and Iraq.

The bombing yesterday of over 100 children and their teachers while they were at school should be utterly condemned by the Council, and every effort should be made to assist the global efforts to suppress such barbaric acts by the Taliban. It was a truly barbaric attack on innocent young children, who were mowed down while at school. The European Summit should place this issue on its agenda, if not in an emergency manner at the next meeting then in the following one, and address how Europe intends to respond to the increasingly barbaric and reckless approach to human life, children and so on. It is an issue which has shown no sign of abatement.

Given this week's near-implosion of the rouble, there will obviously be a discussion about Russia and its occupation and partitioning of Ukraine. The Russian people are facing into the possibility of a deep and damaging recession. This is the direct and inevitable result of the policies of their government. The hyper-nationalist, authoritarian and aggressive behaviour of Vladimir Putin's government has been a disaster for Russia. I find it amazing that for much of the last year we have heard fellow-travelling calls to do nothing and stand by as Putin invaded

a neighbouring country and funded a devastating conflict. Sinn Féin has constantly refused to clearly call on Russia to get out of Ukraine and has followed its allies in the European Parliament's former communist group in attacking Europe and the United States as being to blame for Russia's aggression. Of course, this was not something mentioned by Deputy Gerry Adams when raising money in New York recently. In Russia, basic legal norms have been abandoned and the only rule today is that whatever the government wants, it can take. The free media has been destroyed, opposition parties have effectively been banned and a near-hysterical anti-West propaganda campaign has been implemented.

Russia should be a friend and partner of Europe, but Europe must stand with basic democratic values and with the interests of smaller nations against Russian aggression. Europe must also understand that the new democratic government in Kiev needs more help. It needs debt restructuring and significantly increased direct aid. Russia will not let up on its efforts to crush any neighbouring state which refuses to bow to Moscow in what President Putin last month called its "rightful sphere of influence". We cannot step back from a significantly higher scale of aid to a country and people in dire need.

There is no doubt that at the summit the Taoiseach will have an opportunity to talk to the UK Prime Minister, David Cameron. I hope he will take the opportunity for the two of them to reflect on the shambles of last week in Stormont. The DUP and Sinn Féin have refused to act responsibly in government but the way to respond to this is not to introduce the type of negotiating tactics which have served the UK so disastrously badly in Brussels. Take-it-or-leave-it walkouts or threats to withdraw are not what one expects from the parties and they have done enough of this over the years. It is not something one expects of governments.

I welcome the fact that Mr. Cameron's recent speech on freedom of movement stepped back from his earlier extreme position and the impulses of the majority of his party. As in so many areas, after nearly four years in office the Government has never set out a strategy for basic European issues. It has no negotiating strategy. There is some discussion of a treaty in the next two years, for example, emanating from the discussions about Britain and its relationship with the EU. It has no stated objectives on bank debt, no position on the EU budget's future, no position on the powers of the ECB and no position on the possible exit of the UK other than "We'd hate to see you go." Perhaps in 2015 we will finally see the Government commit to a more active and engaged European policy. The speeches about supposedly rebuilding our reputation are self-serving nonsense and simply expose the "PR first" approach. Let us have a proper debate about Europe and our role in it. It is too important to go on in this stumbling and unco-ordinated way.

Deputy Seán Crowe: I apologise for the absence of Deputy Gerry Adams. I would like to be associated with the Taoiseach's Christmas good wishes to the staff and Members of the House. We are all looking forward to the Christmas break and coming back reinvigorated, renewed and ready for the fight next year.

I note that this European Council meeting will be primarily focused on economic and social policy. We are told on almost a daily basis that we have regained our economic sovereignty. Yet, in replies to my party, the Minister for Finance, Deputy Noonan, and the Minister for Public Expenditure and Reform, Deputy Howlin, have made it clear that new EU rules will dictate our budgets for a very long time to come. The next budget will have to be agreed against the backdrop of the so-called expenditure benchmark. This is essentially part of the preventive arm of the EU rule book.

17 December 2014

In a reply to my colleague, Deputy Pearse Doherty, the Minister, Deputy Noonan, gave an indicative figure of a permissible expenditure increase of only €400 million. Even that figure is dependent on a high growth figure, which unfortunately failed to materialise in the last quarter. We know that the Taoiseach has committed the Government to decreasing the top rate of tax next year. That decrease will also be taken into account when adding up the €400 million .

The Minister, Deputy Howlin, has noted that:

beyond 2015, there will be a number of expenditure pressures emerging over the coming years, most notably those related to demographics and their impact on the social protection, health and education sectors. The expenditure ceilings for 2016 and 2017 contained in the Comprehensive Expenditure Report provide for expenditure increases in these areas to accommodate these demographic pressures.

The Taoiseach can correct me if I am wrong, but it seems that because of the expenditure benchmark, next year the Government will have only €400 million to play around with and has already committed to the new tax cut for the better off. The difficulty is that more children are going to school, there are more patients in hospital, longer queues, more patients on trolleys and more pensioners living alone and having to survive on a basic income.

Deputy Dara Murphy: There are more people at work.

Deputy Seán Crowe: It is to be hoped there are more people at work, but we did not reach the targets in the last quarter. Many jobs have been the result of people who have left our shores. All of us in the House want to see growth.

Is this what economic sovereignty looks like? Ireland has met the austerity targets, and now we have expenditure benchmarks to prevent actual investment in the economy. Economic sovereignty is not what we hoped it would be and what it used to be, but perhaps this is the new world in which we are living. The Minister, Deputy Howlin, told us the Government is negotiating on this matter. That would normally be a positive statement, but unfortunately it does not instil huge amounts of confidence as it comes from a Government that has failed to convince the European Parliament, the European Commission, a single other member of the European Council or the ESM to support the recapitalisation of Ireland's pillar banks.

2 o'clock

In a telling and worrying aside, the Minister, Deputy Brendan Howlin, whose party has effectively supported every EU treaty, now says he does not believe a one-size-fits-all policy suits. Unfortunately, it is a little late for that admission, considering how far we have gone down the road in that type of analysis. However, his admission is a breakthrough of sorts. My colleague, Matt Carthy, MEP, recently wrote directly to the ESM chief, Klaus Regling, to try to cut through the spin. Significantly, Mr Regling replied: "It does not seem likely that the DRI will be used retroactively." This is a concern, yet we are being told in the House that this a vague possibility and that the Government can still apply for it.

Many Irish people believe the European Union has kicked us around with its harsh austerity targets. We now know that Jean Claude Trichet, in his letters to the then Finance Minister, bullied Ireland into adopting pro-euro positions. We do not know on whose mandate or on what legal basis he did this, but we know that he did it and that Fianna Fáil and the Green Party folded. Now the new EU rules will not allow us to make important investments to improve

the viability of the economy and the question of getting back the people's money that was put into bad banks is moving further off the table. We are told that we have regained our economic sovereignty, but the question is: economic sovereignty for whom and for what?

The forthcoming European Council meeting will also discuss the Commission's plans to mobilise €300 billion in investment between 2015 and 2017. I have continually called in the House for greater investment by the European Union to kick-start fledgling economies and tackle social inequality. This investment plan sounds good when we read the headlines, but when we read into the detail, it simply will not work. Jean-Claude Juncker intends to take €16 billion from the EU budget to fund this package, yet the European Parliament committee is all over the place in this regard and still waiting for the Council to present it with the latest draft budget which will undoubtedly provide for more cuts and hardship. Meanwhile, member states, SMEs, research centres and universities are still awaiting payment. People are waiting for what they were promised, not empty promises that distract attention from previous shortfalls.

The growing deficit of €23.4 billion also needs to be addressed. The European Union must be able to pay its massive debts and this proposal from Jean-Claude Juncker will do nothing to help ease that predicament. I agree that we need investment, for which Sinn Féin, with many others across Europe, has consistently called. However, this proposal is not the way to go about it, as it will create nothing more than a financial house of cards. Mr. Juncker having oversight of it is like throwing the fox into the hen house, considering that he was President of the Commission which presided over the worst austerity crisis, while at the same time enabling states to be tax havens. This proposal is nothing but a road map for disaster. It appears that for the Commission, it is simply business as usual, but what we need is a public investment programme and a new approach to end austerity. That is our argument and the message we hear across Europe. People want to see a different approach and this argument has dominated their debate.

Last week Jean-Claude Juncker, remarkably and disturbingly, stated he wanted "familiar faces" to be in power in Greece, ahead of parliamentarians gathering to elect the President. He also called on Greeks to ensure they avoided "extreme forces" coming to power. The EU economics Commissioner, Pierre Moscovici, said at a press conference in Athens on Tuesday that the Commission would respect all democratic decisions of the country, "but of course we also have our own preference." We know that this means the Commission wants to have its pals back in power and the same approach being rolled out for the Greek people to be rolled out across Europe. This is clear political interference by the European Commission and its ham-fisted veiled threats are a crude, ill-thought out attempt to influence these crucial elections. Does the Taoiseach condone these veiled threats and, more importantly, will we get an answer to this question? Will he publicly call on the Commission to refrain from interfering in any election within member states, as the Commission has previous form in this regard? Former European Commission President Jose Manuel Barroso said it would be "extremely difficult, if not impossible" for an independent Scotland to join the European Union, ahead of Scotland's crucial independence referendum. This directly influenced and interfered in that referendum and all sides agree that his interference did not help.

I understand international affairs will be discussed at the European Council meeting also. Last week the Dáil passed a Sinn Féin motion calling on the Government to officially recognise the state of Palestine. I welcome the support of the Government and all parties which supported the motion which was warmly welcomed by the Palestinian Government and its people. Tragically, a Minister in the Palestinian Government, Ziad Abu Ein, died on the day the motion passed, after he was physically attacked by Israeli soldiers while attending a peaceful olive

tree planting ceremony in the occupied West Bank. The European Parliament is poised to vote “Yes” today on a motion on the recognition of Palestine. Will the Taoiseach raise the issue of recognising the state of Palestine at the forthcoming European Council meeting and will he explain that both Houses of the Oireachtas now support this position?

The US Senate report on torture by the CIA provides shocking confirmation of the extent to which torture was part and parcel of how the CIA operated for many years. It reveals that the torture in secret prisons run by the CIA was even more extreme than previously known and that it included appalling practices such as rectal feeding, waterboarding, sleep deprivation and direct threats to the families of detainees. It also exposed the complicity of some European states in these awful practices and crimes. Although we know that many European states were complicit in the torture and rendition operations of the CIA, as has been well documented by the media for a decade or more, no European officials or politicians have been held to account. We are aware that this happened on the watch of many Governments, but the response is always that there is no such evidence or information. However, it is clear that this has happened to detainees, some of whom were just dumped in the desert or on the side of a road and then had to pick up the threads of their lives.

Many of America’s European allies were deeply involved in the CIA programme and the CIA’s activities would not have been possible without the direct help of Britain and, possibly, 20 other European nations. European states that took part in the CIA operations were complicit in violating fundamental human rights, the Geneva conventions and the UN convention against torture. Will the Taoiseach specifically raise this issue at the European Council meeting and call on European states to come clean on their role in this unjustified torture programme? Given the growing and overwhelming evidence that CIA aeroplanes involved in rendition operations passed through Shannon Airport, surely it is time for the Government to admit that mistakes were also made here and initiate a full investigation into Ireland’s involvement in torture by the CIA and the rendition of individuals through our air space.

Like others, I welcome the remarks of the Taoiseach regarding the children who were murdered in Pakistan and I would like to be associated with them. The images on television of children lying on the ground with visible wounds and being interviewed about what they had been through appalled everyone. It was proposed that a book of condolence be opened in the House and, as a former education and skills spokesperson, I would like to be associated with that.

To end on a more positive note, I wish the Minister of State well in the discussions. He has huge responsibility but the different positions being adopted in Europe, particularly in respect of investment, are important. We clearly need new investment and we need to work our way out of the crisis facing many European states. There are two ways forward and I would like to think that Ireland will step up to the plate and clearly get behind working our way out but, as part of that, investment is needed and a budget to suit.

Deputy Paul Murphy: I would like to focus on the so-called investment plan for Europe put forward by the Commission President, Mr. Juncker, which supposedly contains €315 billion worth of investment. It was described by him as a fresh start for Europe and it has the establishment parties across Europe patting themselves on the back as they say they will now deal with the massive collapse in investment to the tune of almost €400 billion since the crisis hit across Europe. The Taoiseach joined in this earlier, although he noted that the fund has received its share of criticism with questions from some quarters about whether the leverage ration of 1:15 is realistic. That is a slight understatement, given that the programme has no money. Not a sin-

gle euro will be brought to bear in this investment programme. It is a clear case of the emperor having no clothes but, instead, we have the establishment and sections of the media talking up something for which there is not a single euro.

Europe has gone from zero euro to €315 billion and this is reminiscent of the financial engineering that went on before the collapse of the bubble and the crisis that we are living through. Mr. Wolfgang Munchau, writing in the *Financial Times*, said it reminded him of a synthetic collateralised debt obligation and an attempt to get from nothing to something. When people go through the figures, they will realise the programme is built on sand. A total of €8 billion taken from existing under-funded EU programmes was placed in the programme. That was doubled by saying everything would not collapse together and, therefore, a guarantee of €16 billion could be given. Another €5 billion was added from the European Investment Bank to give €21 billion. This was tripled by leveraging it on the bond markets to get to €63 billion. This was then multiplied by more than five to get to €315 billion on the basis of supposed expected private investment at a ratio of €5 in private sector money for every euro of public sector investment, which is not real money. There is no new money in the programme but the Commission and the Council want to be able to talk about a public investment programme to deal with the crisis.

The root of this is a shift towards the privatisation of public infrastructure and the socialisation of private risk because private investors are classified as a senior tranche of investors and if there are losses, even in excess of the €8 billion of EU funds that have been invested, the taxpayer will pay the bill. The private investors are given a senior classification and they do not have to pick up the tab. We have witnessed this model for the subsidisation of private risk previously with the taxpayer taking all the risk and the private sector creaming off the profits. This also points to privatisation. Mr. Juncker set out a great vision in his speech to the European Parliament of schoolchildren in Thessalonika walking into a new classroom decked out with computers and a hospital in Florence saving lives with state-of-the-art medical equipment. Private investors will only invest in hospitals or schools for two reasons - the first is if there is a fee, which means people will pay per use, or, second, if they are paid directly by the state. Either way, the public will pay and they will pay more than if there just had been simple public investment in these facilities because the private sector needs to be guaranteed a significant profit.

The Taoiseach referred to €315 billion in net additional investment in the economy. How does he know any of this will be net additional investment? How much of this is dead weight? How much of this would have happened anyway? The taxpayer will subsidise the investment and take all the risk. There is no guarantee this programme will generate new investment that would not have taken place anyway. The only difference is the taxpayer is taking on the risk. This is not a response to the collapse in investment; major public investment is the appropriate response. For example, ITUC has called for a investment of €250 billion or 2% of GDP. That could be funded at a time of historically low interest rates. The State could borrow and invest and this would pay for itself economically and socially or it could go after the massive amounts of unused capital, the hoarded profits and the €21 trillion held by millionaires in this country, which is greater than the sovereign debt of all the EU member states.

Deputy Dara Murphy: That is the point of encouraging the private sector. The Deputy is all over the place.

Deputy Paul Murphy: There is money but we have to access and borrow it and then engage in public investment to create jobs and improve our societies.

Deputy Richard Boyd Barrett: I refer to the outrageous decision of the ECB not to answer questions at the banking inquiry. The inquiry is a political stunt that was likely to produce nothing from the outset but now it is a complete dead letter with one of the key players in the entire debacle that has bankrupted the country and driven Europe into crisis refusing to answer questions about its role and the pathetic failure of the State, which knows how important it is that this evidence be given, to demand of Europe that the institution make itself accountable.

To add to Deputy Murphy's comments, the investment programme is a pyramid scheme subsidised and guaranteed by the ordinary working people, taxpayers and citizens of Europe and it is the door into the privatisation of public infrastructure, services and utilities across the Union. What we are doing is a scandal. There is an amazing parallel between the off-balance financing and manoeuvres to set up Irish Water and charge people for the consumption of water, which the Government is pursuing, and the overall project for so-called investment in Europe, which is precisely predicated on the same off-balance sheet private sector financing guaranteed by the State. The profits go to the private sector and all the risk goes to the citizens if everything goes belly up. It means that the financiers will call the shots demanding user charges and dictating the nature and character of investment leading to the privatisation of infrastructure and services across the country followed, no doubt, by demands for more productivity, wage cuts and so on for those working in those services and on the infrastructure. The programme pays lip service to public investment whereas in reality it is the vehicle through which the privatisation of the European economy will be advanced and the Government is playing a vanguard role along with Mr. Juncker in pursuing this neoliberal strategy, which had such disastrous consequences for the European economy only a few short years ago.

Of course, the other side of this coin which points to the alternative is the issue of corporate tax. Again, the Irish Government is on the wrong side of the ideological and political conflict about how one finances real investment in the real economy because we are busy developing knowledge boxes and giving multinationals a four or five-year lead-in so they do not have to pay any tax but it is their profits, not just in this country but across Europe, that should be taxed in order to finance the infrastructure and public investment programmes that we need. Let us not forget that regardless of whether it is Irish Water or in Europe, it is the big industries and multinationals who use the most. They are the biggest users of our public infrastructure and instead of getting them to contribute towards that infrastructure, those services and that investment by taxing them directly and funding public programmes, we borrow money off them, become indebted to them and essentially become subjects of the big multinationals.

It is a fantastic step forward that today the European Court of Justice, ECJ, has de-listed Hamas from the list of terrorist organisations - apparently on a technicality. This recognition is long overdue. Whatever we may think about Hamas, it is the legitimate representative of the Palestinian people. In order for there to be any solution to the Palestinian-Israeli conflict, we must engage and talk to Hamas. It is a pity it took the ECJ to do it rather than the political leadership of this country and other countries in Europe but I hope there will be follow-through on it.

I am glad to see that Fianna Fáil has now endorsed the call I have been making for the past month in this House for us to do the same with the PKK in respect of what is happening in Syria. It is not good enough to cry crocodile tears for the disaster that has been inflicted by the Assad regime and ISIS on the people of Syria without giving endorsement and legitimacy to the PKK which is leading the fight on the ground against Assad and ISIS and which is protecting the Kurdish people in Kobanê and other places in northern Syria. Can we have movement

from the Government now that we have started to do the right thing in terms of representatives of the Palestinian people? Can we do the same for the legitimate representatives of the Kurdish people?

Deputy Shane Ross: Some of us on these benches are becoming veterans of the kind of sanitised speeches which the Taoiseach brings in here and reads every time before he goes to one of these meetings in Europe. This is, unfortunately, no exception. Like many other Deputies, including Deputy Boyd Barrett, I expected the Taoiseach to come in here and say that top of the agenda - I am insisting on it going on the agenda this evening and tomorrow - is the refusal of the ECB to come before the banking inquiry. That was an extraordinary decision from Europe yesterday and it summarised the attitude of the ECB and many European leaders to Ireland and, in many cases though not in this one, the attitude of the European Commission to Ireland. It is totally unacceptable that an inquiry of this sort should be rendered almost totally useless and redundant by the fact that those who are supposed to be our friends have torpedoed it by refusing to appear or to give it any sense of meaning. The ECB has proved that it is no friend of Ireland, that it is arrogant and that it does not really care about the banking inquiry or the origins of the banking inquiry now that it has got its pound of flesh from the Irish people. That is the reality. It also indicates the attitude of many European powers to Ireland. Page five of the Taoiseach's speech states that:

As Deputies will be aware, the Commission's opinions on member states' draft budgetary plans were also published recently. Ireland was one of five member states found to be fully compliant with the provisions of the Stability and Growth Pact, along with Germany, Luxembourg, the Netherlands and Slovakia. This is a real vote of confidence in our management of our public finances.

Does that mean that 20-odd nations do not give a hoot about the requirements of the Stability and Growth Pact? Does that mean that Ireland is patting itself on the back by being up there with the big boys and behaving as though it is a prosperous nation at a great cost to the people of this country? I do not want to be up there with Germany, the Netherlands, Luxembourg and Slovakia - not with the current state of the economy. We cannot afford to be there. How is it that France and other countries can give two fingers to the ECB and the European Commission in respect of keeping to the Stability and Growth Pact while Ireland seems forced to bow and scrape and seems to take pride in doing so and in taking such a craven attitude to European requirements? This, unfortunately, is what is happening.

The Taoiseach went on to say proudly and probably wrongly that we are the fastest growing economy in Europe. I do not think it is true but I do not expect the Minister of State to take any other attitude. Do the Taoiseach and the Minister of State know about contract manufacturing? Do they know what it means? Do they know how these growth figures are actually added up and what they come to? The Taoiseach, the Minister of State and the Government have decided to ignore the warnings of the Government's own fiscal advisory council recently when it pointed out that many of the exports which are responsible for growth, and it said it did not know how much so the Minister of State does not know either, are accounted for by what is called contract manufacturing. This is a totally artificial system of booking exports from one country to another and nothing at all happens in Ireland except there is a booking.

The Irish Fiscal Advisory Council warned that it did not know how much this accounted for in our growth figures but it estimated that it might be about 2.5%. If one takes 2.5% away from the figure of 4.7% this year, one is back at 2.2%. If one takes 2.5% away from the figure of

3.9% next year, one is back at 1.4%. That will make us an awful lot less smug about our growth figures. To parade those figures around here either without the knowledge that they are bogus, and they are certainly massaged, or pretending that they are real is completely dishonest. Let this be a serious warning to the Government about these growth figures. If it is pretending that the next budget can be based on figures of this kind, which are so inflated by something that is unknown and which it does not acknowledge, it is doing something that is particularly wrong. It is also cooking the books and I suspect that cooking the books is not something its European masters will approve of.

Minister of State at the Department of the Taoiseach (Deputy Dara Murphy): I also join with other Deputies here in extending my sympathies and condemning the horrendous acts yesterday in Pakistan which resulted in so many deaths. While I attended yesterday's meeting of the General Affairs Council which prepares the European Council agenda, events were unfolding. I have no doubt that they will be discussed by the Taoiseach and others at the European Council meeting.

As the Taoiseach outlined, the investment package, which is using real public money to leverage private funding and will deliver billions of euro of capital projects across our Continent, featured prominently in our discussions yesterday and was broadly welcomed by all member states. While it was clear that much work needs to be done and done quickly to get the initiative off the ground, the support from around the table ahead of tomorrow's European Council was very encouraging. We also received a presentation from the Commission on its annual growth survey which situates the investment agenda within the context of an overall economic approach, including structural reforms and fiscal measures. The annual growth survey will also be the subject of important political exchanges in all relevant Council configurations over the coming months. Proposals for streamlining the European Semester, referred to by the Taoiseach, were also generally welcomed. Deputy Martin asked that President Tusk be invited to Ireland. The Taoiseach has asked me to inform the House that both President Tusk and President Juncker will be invited to visit Ireland next year.

As I attended the Foreign Affairs Council on Sunday evening and Monday, I will briefly outline the foreign policy issues, other than Ukraine, which are likely to feature in discussions at the European Council. The European Council will return to consider the Ebola crisis and the EU's response, with an update from President Juncker and High Representative Mogherini. Unfortunately, the spread of the Ebola virus in West Africa has not been arrested. The underlying trend is still upwards and the number of people affected is growing, particularly in Sierra Leone. At the same time, however, it is important to acknowledge that significant progress is being made. New Ebola treatment centres have now been opened in the three most affected countries, namely, Liberia, Sierra Leone and Guinea. Ireland has helped in these efforts. The Ebola treatment centre in Port Loko, Sierra Leone, which began work earlier this month, was co-funded by Irish Aid. Discussions on Ebola at the European Council follow more detailed consideration of the issue by EU Development Ministers last week. The Council will, I hope, place a new emphasis on the importance of addressing longer term issues associated with the crisis, including resilience, poverty reduction and the capacity of the health systems in the three countries most affected. Ireland will continue to play its part, through the work on the ground of our embassy in Freetown and through financial support. This year, we are providing over €18 million directly and through NGOs to the countries in West Africa most affected by the crisis.

Although not formally on the agenda at this point, it is considered likely that the issue of

foreign fighters, that is, EU citizens travelling to conflict zones, will be raised at the European Council following conclusions adopted in August. Unfortunately, international terrorism continues to pose a serious threat to global peace and security. The changing nature of this threat is illustrated by the participation of nationals from more than 80 countries in the conflicts in Iraq and Syria. Their involvement poses a direct threat to the security and stability of the region in which they are fighting. The skills they acquire in the conflict may be used to carry out terrorist activities elsewhere, including in their home countries. The August European Council called for the accelerated implementation of EU measures to stem the flow of foreign fighters. Significant developments since then include the establishment of a dedicated task force on foreign fighters and the adoption in October by EU Foreign Ministers of an EU strategy on counterterrorism and foreign fighters.

There has unfortunately been less progress on an EU passenger name record directive, which would provide for the transmission of certain passenger name record data to police and security authorities for the purposes of combating terrorism and serious crime. The European Parliament has not yet passed this important proposal. The Minister for Justice and Equality has written to each of Ireland's MEPs encouraging them to support the proposed directive, as a tool of proven value in combating terrorism.

I thank Deputies for their contributions to this debate. I look forward to addressing the House again in January on the outcome of this tomorrow's European Council and I wish everybody a happy Christmas and a good break before we return in 2015.

Water Services Bill 2014: Committee Stage (Resumed)

SECTION 13

An Leas-Cheann Comhairle: Amendments Nos. 42 and 43 are related and will be discussed together.

Deputy Barry Cowen: I move amendment No. 42:

In page 12, line 29, after "determine." to insert the following:

"All Board appointments shall be subject to the approval of the Joint Committee on the Environment, Culture and the Gaeltacht."

This amendment deals with appointments to the board of Irish Water under section 13. The Minister informed us that the purpose of the section is to provide for an increase in the maximum number of members who may be appointed to the board of Ervia. When is it expected that the appointments will be made? Will they be made only when this legislation is passed and, if so, how many members are envisaged? The Minister for the Environment, Community and Local Government has indicated that he will increase the numbers to reflect the professionalism associated with each member and the expertise necessary for the board to perform efficiently. I am conscious of the obligations he intends to place on the board in regard to the bonus element of pay. He informed the House yesterday evening that he will be giving the board responsibility for negotiating on behalf of the taxpayer with a view to amending the pay structure. This leads me to wonder what expertise he has in mind for the board to enable it to meet that responsibility.

This amendment makes all board appointments subject to the approval of the Joint Committee on the Environment, Culture and the Gaeltacht. That is only fair and proper. It would meet the standards that the Government supposedly sets for board appointments, including the public advertisement and scrutiny of all board appointments and giving committees a role in affirming appointments. Perhaps the Minister will respond to the thrust of the amendment in the first instance and I would also be grateful if he could elaborate on the points in regard to the section.

Deputy Brian Stanley: Section 13 provides: “The Board shall consist of a chairperson and such number of other members, not being more than 10, as the majority shareholding Minister may determine.” I have serious concerns about the Minister’s intention to establish a unitary board for Bord Gáis and Uisce Éireann. We are told that Irish Water will be the largest utility in the State. If it is to share a board with another substantial utility company, it means people will be trying to ride two horses in the same race. It would be a difficult job for a board to oversee two completely different companies, which should have different cultures. I do not think a unitary board is a good idea in terms of corporate governance. I am not sure of the degree to which this proposal has been thought through. Is this another case of giving more control to Bord Gáis, or Ervia as it is now called? Are the directors and senior management of Ervia calling the shots on everything? I suspect they have had a heavy influence to date in how the legislation was drafted and how other matters have progressed in the Uisce Éireann project. I have huge concerns about that.

I support Deputy Cowen’s amendment which provides that the appointees to the board should appear before the Oireachtas Joint Committee on the Environment, Culture and the Gaeltacht. That is sensible.

My proposed amendment relates to the composition of the board and the power of the Minister to appoint. The Bill states that the “Minister may determine”. Those are the three key words, and we have seen an example in the last few days of how the Government determines appointments to boards. The concern here is that the board must have a proper composition. Will it be made up of people who are predominantly disposed towards privatisation? Will it be people who might not have a great insight into the situation of ordinary working people or small businesses? Will it be a few of the usual suspects? Will it be dominated by the Irish Business and Employers Confederation, IBEC, and other heavy hitters? Will ordinary people be represented? What I mean by “ordinary people” are the 1.67 million householders in the State who will be customers of Irish Water. How will they be selected? Where is the filtering process and who decides who is worthy of it? It appears that the Minister has all the power. We could wake up one morning and see in one of the newspapers a list of the people who have been appointed to the board.

There are huge issues and corporate governance concerns about there being one unitary board for the largest utility company in the State. As I stated earlier in the House, it is a company that is in serious trouble financially due to how the Minister has gone about this business and the bookkeeping and creative accountancy he is using to give it life, shore it up and ensure it will get past EUROSTAT. It is the funniest piece of accounting I have ever seen. I sat on the boards of two companies and I have never seen accountancy like this. They were very small companies and I served on them in a voluntary role. That type of bookkeeping was just not allowed. In the case of this huge utility company, however, the Minister is carrying out all of these smoke and mirrors acts to try to get it past EUROSTAT in Brussels. There are huge questions about this.

The unitary board is a massive concern for me because it cannot keep its eye on the ball, and somebody will have to keep their eye on the ball of Irish Water. Irish Water will require the full attention of the eight to ten board members, but it will not get it. The Minister has put the two boards together, and there is some other agenda behind that. The big boys in Bord Gáis, IBEC or somebody else has convinced the Minister to do this, and it seemed to be a good thing to do in the view of sections of the media.

The board will decide on huge matters such as borrowing, pay and bonuses. I do not have a problem with bonuses for low to middle income workers who have earned them on the basis of performance. However, I have a problem with them for the management. We have seen recently how the managers favoured themselves. We learned that the managers were going to give themselves 18% while the ordinary workers would achieve 7% or 8% at best. That is 7% or 8% of very little. Of course, the boys at the top, on over €100,000 per year, were not happy to take the same percentage as the people on low and middle incomes. They intended to fatten up their wallets with higher percentages of a higher amount. They were going to take the cream. There must be a diligent board in place to pay attention to that.

Who determines the priorities for investment between sewerage treatment plants, leaks, meters or consultants? Will it be blown on call centres? There are 31 call centres in the State that could have served this purpose. They are the 31 local authority offices. The people in those offices have been dealing with these calls for years, and I have received a good service from the people I have dealt with over the years. However, I cannot get a good service now because it has been farmed out to a private company. We must have board members to watch this. There are also the service level agreements in place with local authorities. They must be overseen, managed, reviewed and monitored. That must be handled very carefully and the board will want to have an input into it.

A board that has one eye on the boyos in Irish Water and another on Bord Gáis will not be able to do that job. That is the problem with this. The Minister will not get good corporate governance with this board. I do not know who talked him into this or how he arrived at the decision but he is taking the wrong road.

In recognition of that, my amendment proposes that the key sectors be represented. They include the householders, who are the main customers, and the commercial users. In September next year, the commission will review the charges they are paying for water to the local authorities. They must be represented. They are the small businesses throughout the country who are already paying commercial water rates and have no problem with that. They must have a voice at the board. Finally, there are the trade unions, the representatives of the workers who are working in water services both in the local authorities and in Uisce Éireann. Those workers must have a voice on the board, but there is no such provision in the Bill. It simply states that the Minister “may determine”.

It is not good to leave it so vague. It gives a huge amount of discretion to the Minister. When one gives a Minister that type of discretion, with no disrespect to the current Minister, he or she can do what they wish with it. That is important. The very least the Minister should do is accept the amendment proposed by Deputy Cowen regarding the committee having a role in this and the amendment I propose to ensure that those three key sectors are represented. They are the main stakeholders and we must have a guarantee that they are on the board.

Deputy Michael McNamara: Section 13 seeks to increase the membership of the board of

Ervia. Ervia, formerly Bord Gáis, was chosen to be the parent company for Irish Water due to its experience in developing the infrastructure of a State utility company. Indeed, it has commendable experience in that regard.

Bord Gáis was established in 1976 and section 7 of the Gas Act 1976 stated that the board would consist of a chairman and such number of other members, not being more than six, as the Minister for Finance determined. After it was established it embarked on a very ambitious project. The gas utilities were fragmented across the State. That was cured and gas leaks were fixed. The Kinsale pipeline to Cork was completed and a big pipeline was constructed to Dublin. There were then pipelines constructed from Dublin to many of our smaller cities such as Limerick and Galway. Even Nenagh, the nearest large town to the Minister, was connected to the gas network. That was a huge achievement by the company. It was overseen by a board of six people and it managed to complete all of these tasks with that board.

In 2013, under this Government, it was decided that the board had to be expanded from six to eight members. That was done in the Gas Regulation Act 2013. However, a second very interesting provision was added under the Gas Regulation Act. Under the provision:

A person may not be appointed or act as a member of the Board if he or she is a director or an officer of a company or other body corporate which engages, within or outside the State, in

- (a) the supply of natural gas,
- (b) the shipping of natural gas,
- (c) the production of natural gas,
- (d) the supply of electricity, or
- (e) the generation of electricity.

The provision is very sensible, ensuring there is no conflict of interest between the directors and the company on the board of which they sit. The Government proposes no such provision in this Bill. It is important that we have such a provision because of media reports last month that the head of Irish Water's parent company, Ervia, had confirmed that he was to divest himself of more than 400,000 shares in a company that made money from installing water meters. In the interests of balance, I note that he said, "I have excused myself from any commercial contractual dealings with anything to do with CAW [Celtic Anglian Water] in the company which is what is required under the code of conduct so everything I have done is above board." He also said proceeds from the divestment would go to Focus Ireland.

This is not a question of a conflict of interest but of a perceived conflict of interest. It is very important that there be no perceived conflicts of interest in the company and that legislative provisions be introduced on Report Stage to ensure this. As Deputy Brian Stanley pointed out, there is the board of Ervia, the parent company and the board of Irish Water, the subsidiary company. This is how they are referred to in the Act which was introduced this time last year to create Irish Water. A solicitor whose company provided advice on water services and water regulation for water companies was appointed to the board of Irish Water. He resigned his position, perhaps because there might have been a perceived conflict of interest. I am not suggesting for one moment that there was a conflict of interest, but it is very important that we

address the issue because, to put it mildly, the public does not have a huge amount of confidence in Irish Water.

An Leas-Cheann Comhairle: The Deputy is moving slightly away from the amendments.

Deputy Michael McNamara: No, I am not. The Minister's amendment seeks to increase the board of Irish Water and I am questioning why the board needs to be increased. Bord Gáis achieved much with a board of six people. Having increased the board of Irish Water to eight in 2013, why must it now increase to ten? Will provisions be introduced to ensure there will be no conflict of interest or perceived conflict of interest?

Why is it important that Ervia be included in the Bill? Ervia is included because under the legislation that created Irish Water last year, Ervia, then Bord Gáis, received a single share in Irish Water. The Ministers for the Environment, Community and Local Government and Finance each received a number of shares. The crucial point is that Ervia's is the only votable share. When it comes to an AGM, Ervia will have the only votable share. All of the discussion about the difference between referendums and plebiscites and between the words "may" and "shall" is a red herring in the context of the fact that Ervia holds the only votable share.

The Act of 2013 which increased the number of board members in Bord Gáis also contained a provision on the majority shareholding of the capital stock - preferential stock - that, "The majority-shareholding Minister, the Minister and the Minister for Public Expenditure and Reform shall not sell, exchange, surrender or otherwise dispose of all or any of the capital stock held by him or her under section 7B without the prior consent of the Government." While the 2013 Bill that established Irish Water specified that shares would be issued to the Ministers for Finance and the Environment, Community and Local Government, it did not specify that they could not dispose of the shares without the Government's prior approval. The Act states Bord Gáis, now Ervia, shall not, without the consent of the Minister and the Minister for Finance, alienate the share issued to it, in accordance with subsection (4). This does not mean that in order for the Ministers to permit this to happen, there must be prior approval from the Government; there does not. The wording of the proposal in the plebiscite is, "Where the Government proposes at any time to cause the initiation in either House of the Oireachtas of proposed legislation to allow the alienation of shares in Irish Water". Why would any Government initiate legislation it is not required to initiate when it can just dispose of the shares without doing so?

An Leas-Cheann Comhairle: The Deputy is definitely moving away from the membership question. Many other Members wish to speak.

Deputy Michael McNamara: Section 13 pertains to the board of Ervia. The board of Ervia, unencumbered by referendums, plebiscites and legislation from this House, can vote and make a decision to alienate the shares. We must face reality. Although we can talk around in circles for as long as we want, I can foresee something in the future. I am not one who says Irish Water cannot and will not be privatised, that privatisation is beyond contemplation. The Bill which established Irish Water in 2013 clearly makes it very easy to privatise Irish Water, far easier than other pieces of State infrastructure. A future Attorney General will advise a future Government on the legislation. We have all heard the Attorney General's advice. We heard it in the mid-west on the Heathrow Airport slots. Shareholdings were to be maintained which protected the State's interests and to be used to ensure nothing like the loss of the Heathrow Airport slots could occur. However, it did occur. Every member of the Government hid behind the Attorney General's advice and I foresee it happening again.

No matter what we do here, it will be subject to statute, which a future Government will be able to change. If the Minister wants to make it more difficult for a future Government to privatise Irish Water, I suggest Ervia's shareholding be transferred at a given time. The date by which it is posited that all or many of the infrastructural developments will be completed is 2017. When the parent company has achieved what it set out to do, namely, to develop the infrastructure, perhaps we should contemplate in legislation handing over the single, magic, votable share to a consumer co-operative held by the customers of Irish Water. As the people who would be most affected by the privatisation of Irish Water, they are the ones who should control it. I look forward to an explanation from the Minister as to why we need to increase the size of the board and whether provisions will be introduced to ensure there will be no further perceived conflicts of interest.

Deputy Mattie McGrath: It was interesting to hear Deputy Michael McNamara's contribution and I appreciate from where he is coming. He has a legal mind and understands this issue very well. Perhaps he might shift further over to this side of the House when the time comes to vote. We must wait and see, but it is up to him. However, I welcome his very valid points.

I have major issues and I am disappointed that the senior Minister is absent, as I need clarification on some serious issues. Why must the boards be amalgamated? The Minister is putting it out as a sop that he is proposing to amalgamate the two boards, cutting down on the number of quangos. Deputy Michael McNamara spoke about the careful scrutiny of the legislation on Bord Gáis and the transfers, which was all done in the House and the Bills office and for good reason. Will the consumer be represented on the board? The Minister will appoint the board members. The consumers are domestic and business customers who have been paying water rates for 20 years.

3 o'clock

In addition, as stated previously, I fear the water rates will be jacked up enormously because the Government is losing money. Each time an amendment is tabled here, it is dropping €30 million or €40 million. Last night, it was €480 million. This is a complete shambles and simply is not acceptable. While I have that on record anyway, the Government will force through the Bill using guillotines, but I have grave concerns about the make-up of the board, as well as the expertise and qualifications that the people on the board will have.

I seek clarification on a matter regarding the board from either the Minister of State or his colleague, the senior Minister. The board of the entity called Bord Gáis Éireann, BGE, announced in January 2013 the appointment of Mr. John Barry as acting chief executive officer for an interim period pending the appointment of a new chief executive officer. This executive, Mr. Barry, is the man who until recently was manager of Ervia's major projects. Surely this is its biggest project, and this board will be the most powerful board in the country. He was manager of the major projects and was tasked with the responsibility of overseeing and establishing Uisce Éireann, or this beast, as I will call it today. Is he currently suspended pending an investigation into financial impropriety? I seek an answer to that question.

An Leas-Cheann Comhairle: Deputy-----

Deputy Mattie McGrath: I am asking this on the record. This is very pertinent to-----

An Leas-Cheann Comhairle: You are making an allegation now.

Deputy Mattie McGrath: I am asking a question for the Minister to answer.

An Leas-Cheann Comhairle: Please do not make allegations against people-----

Deputy Mattie McGrath: I am asking a question.

An Leas-Cheann Comhairle: -----who are outside the House and are not here to defend themselves.

Deputy Mattie McGrath: Yes, but I am asking a question about whether Mr. Barry is suspended. It is to do with work that was done in a project and work that was done for a county council where there was overcharging. I am reliably informed that he is suspended, and before Members go any further here - before this Bill is passed and before it goes to Seanad Éireann - I ask either the Minister of State now or the senior Minister this evening to get clarification in this regard. It would rock the very foundations of the matters under discussion if there was this kind of carry-on from people who are in place already. I am merely asking the question, and the Minister can clarify the point. I note that he is unable to clarify financial matters. Last night, Members learned about the €460 million, and while the Minister did not answer parliamentary questions tabled by me, Deputy Cowen and others, it then was announced that this had been decided on last May. Moreover, the House was never consulted on this.

I seek answers to that question. Is the said gentleman suspended? He is the sole architect and designer of the so-called Uisce Éireann, which is Irish Water and which I have described as an untamed beast at this point. It is running wild and running amok and one can see why the people on the street are objecting to it. Nevertheless, the Government is forcing it through, as it did this time last year, in the final days of the session. Moreover, it was signed into law by Uachtarán na hÉireann on Lá Nollag. This is a charade of the highest order, and unless there is transparency, openness and full information, there is no point in proposing the cancellation of one board or the merger of two into one. There is no point in trying to make it look good and be transparent and sellable. Nothing about this is sellable. It cannot be sold and one could not give it away if one wished. The Minister of State is also aware of this. It could not be given as a Christmas present. Santa Claus would not take it or bring it anywhere.

I have asked a serious question about the former chief executive officer who was the designer and architect who designed the scheme. He designed Irish Water and passed it on to the Government, which ran with it. Moreover, the Government is still running with it and now has no place in which to hide it. It has been exposed in all its worst condition as being unsellable, untenable and unviable, and it should be withdrawn immediately. These questions also should be answered, as well as the financial questions that have been asked but not answered by the Taoiseach today or ever. It is too much a case of "As I roved out," "Live horse and you will get grass," or "Wait until tomorrow and we will see when it works." It will be too late. As a previous speaker, Deputy McNamara, who is a member of a Government party, has stated, the shares can be sold off without any need for further legislation here. I seek a freagra ar an cheist sin. I have put a serious question on which I seek clarification. Is this true or not, and if so, why? I seek an explanation as to what is going on there. What if such issues happened under Ervia or Bord Gáis Éireann, which is proposed to have charge of Irish Water? Is this gentleman suspended and was there impropriety? If there was, get it out in the House and have an investigation. I totally accept that he is entitled to his good name until such time as this is proven. I am not being a judge but am asking a question.

An Leas-Cheann Comhairle: We take the point.

Deputy Mattie McGrath: My point is that everyone is entitled to his or her good name. As for an investigation, this should be fully investigated and explained and questions should be brought here when the Minister comes in.

An Leas-Cheann Comhairle: We have heard the point, and other Deputies want to speak. I remind the House that-----

Deputy Mattie McGrath: Yes, but I want that question answered by the Minister when he comes into the Chamber. If the Minister of State, Deputy Coffey, cannot answer it, I want answers before Members proceed to the next Stage of the Bill.

An Leas-Cheann Comhairle: We will have to have time for that. I call Deputy Catherine Murphy.

Deputy Catherine Murphy: I will be as brief as I can. The word “trust” was used, and all Members realise that this is critically important. At the outset, Members were told that the entire idea behind partnering with Bord Gáis Éireann was to cut down on the costs and gain access to expertise in billing and such matters. This then progressed to a need to hire consultants. Members are familiar with the stages that happened along the way and that have eroded any prospect of trust. It appears to me as though quite a complex arrangement is being put in place here. The more complex the arrangement, the less one has any prospect of building trust if this company survives into the medium term at all. I have a question about the board itself. Ervia has a board and then there is Irish Water’s subsidiary board. Do they have two different sets of memorandums and articles of association? How do they dovetail with each other? How do the two boards interact with each other? What will be the ratio between the Bord Gáis side and the Irish Water side in respect of the numerical component? Can the Minister of State give details to Members about the expertise?

The contribution by Deputy McNamara was very useful. We still are in a highly uncertain time and, although it is to be hoped that it does not happen, we may again have outside intervention in a direct way. When one begins to examine the assets, it is clear that the company certainly has plenty of them, with a limited number of financial liabilities. Consequently, when examining this legislation, one must consider the worst-case scenario and work back from that. Members must satisfy themselves with regard to the worst-case scenario, and I do not believe the governance structure of this joint entity is at all clear. Were the Minister to address that, it would be welcome.

Deputy Liam Twomey: The Minister of State might inform the Dáil as to who owns the overall company, Ervia. To the best of my knowledge, it still is owned by the people and therefore, as Irish Water technically is a subsidiary of Ervia, there is no doubt about the ownership of Irish Water, which still is ours. I take Deputy McNamara’s point that the legislation is definitely more simple and easier than previous legislation surrounding other semi-state companies, but that could be a product of the times in which those companies were set up as much as anything else.

Deputy Michael McNamara: The ideology of the time.

Deputy Liam Twomey: Absolutely. It certainly could be.

As I have read more about this subject, one interesting point to emerge is about Northern Ireland Water, and the more this matter is discussed, the more important it becomes. Northern Ireland Water has been in existence for seven years. It cost more to set up than Irish Water did. It has had its own hiccups - at one point, 36,000 people were without water for up to 11 days. A Sinn Féin Minister was even obliged to go to the Assembly to defend the payment of bonuses to its executives.

Deputy Brian Stanley: It was necessary to shake them up.

Deputy Liam Twomey: However, Sinn Féin never has had any discussions about getting rid of Northern Ireland Water, and it now delivers the service it was created for. The structures of Irish Water and Northern Ireland Water are highly similar. There is nothing in the management statement or the financial memorandum of Northern Ireland Water that makes any reference to the necessity for board members to be drawn from trade unions or from among workers. I have looked through the biographies of the board members of Northern Ireland Water, none of which makes a reference to representing a specific group of, for example, people who avail of the services of, or who work for, Northern Ireland Water. They are appointed to that board because of their expertise, and I note that many of them come from accountancy companies or other water boards across the United Kingdom. There has been a lot of argument that really is just about creating noise in this Chamber, and I do not consider it to be highly effective in respect of the debate. The Minister of State should, when responding, focus on how Northern Ireland Water was established and how it has operated for the past seven years. We should seek to ensure that in establishing Irish Water we do not make the same mistakes made during the establishment of Northern Ireland Water. Despite that there is a great deal of white noise about statistics and who is being paid what and so on, we are, thus far, on the right track. Overall, this is fairly clear-cut and straightforward.

Deputy Bernard J. Durkan: Like my colleague, I often get confused. Some people would say I am easily confused. I become particularly confused when we get into the type of minutiae into which we have gone in the course of the debate on this particular section. During all my time as a Member of this House I have always been conscious of the need for legislation to be brought back before the House for reference in the event of any major change thereto, particularly legislation which directly affects the consumer. In terms of membership of the board, I do not see in what is provided anything that changes anybody's entitlements dramatically. It has been suggested in some quarters that the consumer is not represented. I am sure some of the members of the board will be consumers and as such will have to have some regard for the impact of their board decisions on the wider community.

During my time in Opposition I, along with a colleague in the Labour Party, tabled 180 amendments to a particular Bill, only one of which was accepted by the then Government. In regard to the crocodile tears from the opposite side of the House regarding this debate, debate on all Stages of that Bill took place in one day. That Bill was the victim of a guillotine, strange as that may seem. Imagine that, a Leas-Cheann Comhairle, a guillotine was imposed by those now in opposition howling with derision at the suggestion of any curtailment of time now. I have never in my life heard anything like it.

Deputy Noel Grealish: What does that have to do with membership of the board?

Deputy Bernard J. Durkan: I would point out for the benefit of Deputy Grealish that there are people with whom he had long associations in the past who were involved in the curtailment

of debate on many items of legislation. In deference to the Deputy and others who might be incriminated along with him, I will not go there.

(Interruptions).

An Leas-Cheann Comhairle: Deputy Durkan has the floor.

Deputy Bernard J. Durkan: The Deputy is irritating me and he knows he should not do so. I should also not allow him to irritate me. It is amazing the newfound wisdom that has emerged on that side of the House. Incidentally, while six months ago two parties on that side of the House were in favour of charges, only one party favours them now. There is a group of other people who we are not too sure whether they are in favour or opposed to them. I am sure we will find that out as time goes on.

What is most important in terms of the members to be appointed to the board is that such members be competent and capable of doing the job, that they do not have a conflict of interest and that they are capable of discharging their duties in a manner that befits the position they hold.

Deputy Noel Grealish: Given the way Irish Water has been set up nobody-----

Deputy Bernard J. Durkan: I am tormented by the Member opposite to the extent that I could make another comment that he might not like to hear. However, I will withhold it for now.

An Leas-Cheann Comhairle: Please do.

Deputy Bernard J. Durkan: I will hold it in reserve for him.

Deputy Barry Cowen: Three strikes and the Deputy is out.

Deputy Bernard J. Durkan: I do so in the knowledge that the poor, innocent man is venturing into territory into which he should not go if he were wise.

In my view, we should have a board that is competent, capable and responsible and is not impervious to the views of the community or this House or subservient to any one or other to the detriment of one or other.

An Leas-Cheann Comhairle: I call the Minister of State to respond.

Deputy Seamus Healy: A Leas-Cheann Comhairle, I wish to contribute.

An Leas-Cheann Comhairle: I am sorry, the time has come for the Minister of State to respond. Time permitting, I will come back to the Deputy when the Minister has finished.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Paudie Coffey): The purpose of this section is to increase the maximum number of members who may be appointed to the board of Ervia. This measure is part of a reorganisation in the corporate governance structure of Ervia and Irish Water about which many Deputies have spoken.

In response to the issue raised by Deputy Catherine Murphy, a single non-executive board at Ervia level will be responsible for the governance of both companies. The increase in the maxi-

mum number of members will ensure that the board has adequate water services experience and expertise. With regard to the amendments, the Government recently approved proposals to strengthen the board structures of Ervia and Irish Water. This will involve a number of changes. The revised structures include the appointment of a single non-executive board at Ervia level which will have responsibility for Ervia as well as for Irish Water and the gas network subsidiary. A process to fill the vacancies on the Ervia board commenced last month, with vacancies advertised on the State boards website. The candidates being sought must have expertise in the water utility sector and experience in organisational change, customer facing systems and utility infrastructure financing.

On the issue raised by Deputy Cowen, as I said, the process to appoint the new board members is under way. It is intended that those appointments will commence early in the new year. While not suggesting that Deputy Stanley is raising conspiracy theories regarding consumer interests, the Commission for Energy Regulation, CER, has responsibility and oversight of customers' interests. To be fair, the Government has gone to great lengths to try to address the Deputy's concerns.

Deputy Brian Stanley: To push the matter to one side.

Deputy Paudie Coffey: Like any national utility, Irish Water will have in place a complaints process through which customers can engage with it. As the Deputy will be aware from previous discussion on this issue, customers whose complaints are not adequately dealt with will have access to dispute resolution mechanisms with the Commission for Energy Regulation.

The Government has gone a step further in establishing the public water forum to address customer interests. This forum will comprise members of the public and consumers who will represent customers' interests. All of those issues are being adequately addressed. Essentially, the board must have the necessary expertise to run a national utility competently and in accordance with good corporate governance.

On Deputy McNamara's concerns regarding board members having the sole right to privatise if they so wish, which obviously is not the case, I want to make it clear that Ervia does not own the economic shares in Irish Water. The Ministers for Finance and the Environment, Community and Local Government hold those shares on behalf of the taxpayer. The proposed plebiscite, provision for which will be strengthened on Report Stage, will protect the interests of the public and the taxpayer in this regard. I can assure Deputy McNamara that his concerns are unfounded.

(Interruptions).

Deputy Paudie Coffey: With regard to Deputy Mattie McGrath's concerns, Ervia has confirmed that issues have arisen regarding a former employee, dating back ten years ago, which are under investigation. I note the Deputy is not in the House now. However, it was highly inappropriate of him to name people in this House who have not been named in the media or in the public domain. That the Deputy chose to name people, whom I am sure everybody would agree have a right to due process, in this House is unfair.

The board of Ervia is being expanded so that people with suitable expertise and experience can be secured to ensure a positive contribution to the corporate governance of what will be the largest utility in this country. Reference was made to Bord Gáis and what it has managed to deliver over a short couple of decades in terms of upgrade of the gas network. The ESB, an-

other national utility of which we are all very proud, undertook a network renewal programme not so long ago and managed to raise billions of euro off balance sheet to invest in the networks of this country so that business and domestic households would have an adequate facility. The Government and I expect Irish Water to do similar. We are not trying to reinvent the wheel; rather we are looking at ways and mechanisms to raise funds to invest in what is an essential infrastructure. A proper and adequate board is important in this regard. That is the purpose of this section.

We believe what is being sought is already adequately provided for and for those reasons I am unable to accept the amendments.

An Leas-Cheann Comhairle: The time permitted for the debate having expired, I am required to put the following question in accordance with an order of the Dáil on Tuesday, 16 December 2014: “That section 13 is hereby agreed to in Committee.”

Question put:

<i>The Dáil divided: Tá, 81; Níl, 47.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Bannon, James.</i>	<i>Broughan, Thomas P.</i>
<i>Barry, Tom.</i>	<i>Calleary, Dara.</i>
<i>Breen, Pat.</i>	<i>Collins, Joan.</i>
<i>Burton, Joan.</i>	<i>Collins, Niall.</i>
<i>Butler, Ray.</i>	<i>Colreavy, Michael.</i>
<i>Buttimer, Jerry.</i>	<i>Cowen, Barry.</i>
<i>Byrne, Catherine.</i>	<i>Creighton, Lucinda.</i>
<i>Byrne, Eric.</i>	<i>Daly, Clare.</i>
<i>Cannon, Ciarán.</i>	<i>Doherty, Pearse.</i>
<i>Carey, Joe.</i>	<i>Donnelly, Stephen S.</i>
<i>Coffey, Paudie.</i>	<i>Ellis, Dessie.</i>
<i>Collins, Áine.</i>	<i>Ferris, Martin.</i>
<i>Conaghan, Michael.</i>	<i>Fleming, Tom.</i>
<i>Conlan, Seán.</i>	<i>Grealish, Noel.</i>
<i>Connaughton, Paul J.</i>	<i>Healy, Seamus.</i>
<i>Conway, Ciara.</i>	<i>Higgins, Joe.</i>
<i>Coonan, Noel.</i>	<i>Keaveney, Colm.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Kelleher, Billy.</i>
<i>Costello, Joe.</i>	<i>Kirk, Seamus.</i>
<i>Creed, Michael.</i>	<i>Lowry, Michael.</i>
<i>Deasy, John.</i>	<i>Mac Lochlainn, Pádraig.</i>
<i>Deenihan, Jimmy.</i>	<i>McConalogue, Charlie.</i>
<i>Deering, Pat.</i>	<i>McDonald, Mary Lou.</i>
<i>Donohoe, Paschal.</i>	<i>McGrath, Mattie.</i>
<i>Dowds, Robert.</i>	<i>McGrath, Michael.</i>
<i>Doyle, Andrew.</i>	<i>McGuinness, John.</i>
<i>Durkan, Bernard J.</i>	<i>McLellan, Sandra.</i>

Dáil Éireann

<i>Farrell, Alan.</i>	<i>Mathews, Peter.</i>
<i>Feighan, Frank.</i>	<i>Moynihan, Michael.</i>
<i>Fitzpatrick, Peter.</i>	<i>Murphy, Catherine.</i>
<i>Gilmore, Eamon.</i>	<i>Murphy, Paul.</i>
<i>Griffin, Brendan.</i>	<i>Naughten, Denis.</i>
<i>Hannigan, Dominic.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Harrington, Noel.</i>	<i>Ó Cuív, Éamon.</i>
<i>Harris, Simon.</i>	<i>Ó Feargháil, Seán.</i>
<i>Hayes, Tom.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>Heydon, Martin.</i>	<i>O'Brien, Jonathan.</i>
<i>Humphreys, Heather.</i>	<i>O'Dea, Willie.</i>
<i>Humphreys, Kevin.</i>	<i>O'Sullivan, Maureen.</i>
<i>Keating, Derek.</i>	<i>Pringle, Thomas.</i>
<i>Kehoe, Paul.</i>	<i>Ross, Shane.</i>
<i>Kelly, Alan.</i>	<i>Shortall, Róisín.</i>
<i>Kenny, Seán.</i>	<i>Smith, Brendan.</i>
<i>Kyne, Seán.</i>	<i>Stanley, Brian.</i>
<i>Lawlor, Anthony.</i>	<i>Timmins, Billy.</i>
<i>Lynch, Ciarán.</i>	<i>Troy, Robert.</i>
<i>McCarthy, Michael.</i>	<i>Wallace, Mick.</i>
<i>McEntee, Helen.</i>	
<i>McGinley, Dinny.</i>	
<i>McHugh, Joe.</i>	
<i>McNamara, Michael.</i>	
<i>Maloney, Eamonn.</i>	
<i>Mitchell, Olivia.</i>	
<i>Mitchell O'Connor, Mary.</i>	
<i>Mulherin, Michelle.</i>	
<i>Murphy, Dara.</i>	
<i>Murphy, Eoghan.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>O'Donnell, Kieran.</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>Quinn, Ruairí.</i>	
<i>Rabbitte, Pat.</i>	

<i>Reilly, James.</i>	
<i>Ring, Michael.</i>	
<i>Ryan, Brendan.</i>	
<i>Spring, Arthur.</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 Brian Stanley.

Question declared carried.

NEW SECTION

Deputy Catherine Murphy: I move amendment No. 44:

In page 12, between lines 29 and 30, to insert the following:

“Development Contributions in respect of Irish Water

14. The Minister shall, within three months of the coming into operation of this Act, make and publish a report proposing new arrangements needed, if applicable, to ensure revenues formerly derived from development contributions payable in respect of commercial and industrial developments under sections 48 and 49 of the Planning and Development Act 2000 (as amended) may continue to be utilised towards investment in water services and water infrastructure.”.

There has been much talk of establishing Irish Water with the ultimate aim of saving the State money. However, circular 21/2013 from the Department of the Environment, Community and Local Government states that from 1 January 2014 “planning authorities, when granting permission, should no longer include a portion in respect of water services infrastructure in any development contribution applied”. It also states that the Department will issue guidance on the appropriate transfer of development contributions by planning authorities to Irish Water.

In the main, development contributions relate to roads, water and wastewater, while a smaller community component may also apply. These development contributions constitute a sizeable portion of the income that feeds the capital fund for developing water infrastructure. In 2014 there have been no development contributions, be they industrial, commercial, residential or otherwise. It is difficult to know whether this situation will be remedied soon or at all and we are not talking about small amounts of money.

Due to delays of around a year in auditing at local government level, the most recent figures I have date from 31 December 2012 but at that point there was a cash balance of €303 million and €394 million was owed, of which some €202 million was owed in the long term. There are doubts about whether the €202 million will be collected. We are talking about very large

sums of money that are subject to the general Government deficit because local authorities are regarded as an extension in terms of national finances. Money that was collected in respect of development contributions for water and wastewater prior to 2013 will now be transferred to Irish Water. The circular states that balances will transfer to Irish Water, including development contributions that are being analysed as part of the ongoing exercise. Can the Minister of State say whether Irish Water will also be subject to the general Government deficit or will it be permitted to spend the money that is transferred? Local authorities can only spend what is accrued in any one year to ensure the general Government deficit is not put out of kilter. This is an important issue.

Development contributions relating to water and wastewater can vary between local authorities because they have the freedom to create their own development contribution schemes. Development contributions in Kildare were quite high and I supported this approach because it included a community fund for developing important community infrastructure. Neighbouring counties, on the other hand, may have far lower development contributions.

On the subject of industrial development, I will refer to the Leixlip wastewater treatment plant. Much of the money used to upgrade that tertiary treatment plant to become a first-world facility came from local wet industries in the tech sector. Can development contributions still be applied? For example, what if another industry came along to Waterford or Westmeath? Or are they prevented from doing this by virtue of the fact that the circular is in place? Are special contributions restricted? Large amounts of money are at issue. It is astonishing that people are gone after for relatively small amounts whereas millions have been lost in development contributions which cannot be applied retrospectively.

It is not in any way clear how any scheme to be put in place will apply in respect of dovetailing with the local authority. If development contributions are to be applied by Irish Water will there be a relationship between Irish Water and the local authorities? Will they become collection agents? Will the Minister of State give some indication of the thinking in this area? We are discussing the need to invest vast sums of money in water and wastewater. Yet here is a fund that had been in place for a long time but has been basically suspended because Irish Water is being set up. I find that astonishing and I am keen to hear the comments of the Minister of State on some of these questions.

Deputy Seamus Healy: I support the amendment from Deputy Catherine Murphy. We have been unable to get the figures from the Minister but we know now, almost by default, that the question of the finances and the funding of this arrangement are, at best, up in the air. Furthermore, we know that, at best, only a small income, perhaps in the region of €30 million to €40 million, will be derived from the introduction of domestic water charges. If we had the figures we would know but it could be far worse; we could be introducing these domestic water charges at a loss to the State.

Again, this brings into question the basis of the entire water charges fiasco. As Deputy Murphy said, since 1 January these charges have not been implemented. Now, the question of whether Irish Water will have something similar to these development charges in future arises. If so, do we have any idea what the basis of such charges will be? What will the cost be and how will they be implemented? For example, how would such charges dovetail with the local planning authority? I am keen for these questions to be answered.

Several times during the course of this debate I have asked for a response to a question I

raised. Perhaps the Minister of State, who is taking the session this evening, may be able to help me in this regard. Some householders may find themselves in a position whereby their sewerage is blocked but the blockage is in an area in the public domain outside their house and garden and under the public road outside. Irish Water indicated to a constituent of mine in recent days that the company is not responsible even though the blockage is accepted to be in a public area. The company maintains it is not responsible for removing the blockage and claims the householder is responsible. If it is a matter of a simple blockage it may not be too bad and it may be reasonably cheap to have it sorted. A person might even be able to sort it out himself. However, let us suppose the blockage required the opening of a road. Then, the question of a road opening licence arises as well as the hiring of a contractor and reinstating the road subsequently. Significant sums of money could be at stake. It could run into thousands of euro.

An Leas-Cheann Comhairle: Thank you, Deputy. I think you have made the point, but your point is not on this section. We are discussing regulations and orders.

Deputy Seamus Healy: Perhaps it could be addressed in the general spirit of the legislation. I have asked the question three times already.

An Leas-Cheann Comhairle: I take the point.

Deputy Seamus Healy: The Minister of State may be able to answer the question seeing as the Minister has been unable to answer it.

An Leas-Cheann Comhairle: We will have to try to get around to that.

Deputy Liam Twomey: Over the course of the past two or three days or even the past two or three two weeks since we have been discussing the funding of Irish Water it has become clear that Irish Water is similar in structure and governance to the way water companies throughout Europe are structured. It is becoming clear from this debate that we are not far off the structure of Northern Ireland Water. I am keen for the Minister to discuss this with me and give me a clear steer.

Let us consider the financial statements and financial memorandum between the Northern Ireland Department for Regional Development and Northern Ireland Water Limited. The structure we have been discussing, the nature of the shareholder, the governance structure, and the board of Northern Ireland Water are almost exactly similar to Irish Water and its functions. I have not had an opportunity to examine the articles of association of Irish Water but I cannot imagine they are too far away either. Northern Ireland Water even has a scheme of charges for domestic water. These charges are considerably higher than the charges we are putting into legislation. Anyway, that company has a structure comprised of non-domestic and domestic water charges for everyone.

I have only briefly examined the Commission for Energy Regulation report. I am keen to hear the views of the Minister on whether there has been a major dose of hypocrisy going on in the debate with regard to what the Minister as well as every spokesperson from the major political parties should know. Are we hearing that there is no great difference between what Irish Water will be like and the way Northern Ireland Water is already structured? That company has been in place for the past seven years. It has experienced all the issues that we have been discussing. There have been difficulties with loss of supply for large numbers of people. Bonuses have been paid by ministers to senior executives. This should be stated clearly by the Minister rather than flapping away from it. Basically, much of this debate has been a mockery

of the people's feelings given the structure of other water companies.

An Leas-Cheann Comhairle: You are moving away a little. The amendment relates to regulations, orders and development contributions.

Deputy Liam Twomey: I will finish on this point. I have sat through the debate and taken a keen interest in it. Perhaps I was not around when the Commission for Energy Regulation report was discussed on Committee Stage. However, it seems we have been led up the hill and back down again by some Members of the Opposition given that in other jurisdictions, especially one where a particular political party essentially runs the water system, they have in place a system that is almost exactly like Irish Water. That is hypocrisy and makes a mockery of the feelings of the people, including those who came out onto the streets, especially seeing as we will be doing the same thing that is done north of the Border. It is exactly the same as what is done throughout most of Europe. It is similar to the United Kingdom except that in the UK the company is privatised. Our company is not privatised, Northern Irish Water is not privatised and most similar companies in Europe are not privatised.

Deputy Barry Cowen: I support Deputy Catherine Murphy's amendment. I wish to echo the questions put to the Minister of State. Will he clarify whether the proceeds from development charges, or a portion of them pertaining to water, will now be transferred to Irish Water? It is opportunistic in the extreme when one considers that last night we were discussing the fact that liabilities of €460 million associated with Irish Water are not to be transferred but that the income generated from this stream is, of course, to be transferred. The prospect for local authorities in initiating development is greatly enhanced in the event of it having this source of income available to them, considering the constraints that now exist with regard to the Local Government Fund. I am also conscious of the fact that many rural and group schemes would not be in a position to be kick-started were it not for the availability of funds and expertise at the disposal of the local authorities to help people in doing that.

I ask earnestly that any such commitment given at this stage be reconsidered with a view to those funds being retained by local authorities. I am conscious of the presence in the Chamber of the Minister of State with responsibility for rural affairs. I am sure she, too, would like to have those funds retained and available in the event of local authorities being in a position to assist people who reside in rural areas and maintain the fabric of many rural areas that might otherwise be in jeopardy, in the event of the sort of funding necessary not being made available for people to set up group schemes. Make no mistake, these would not be deemed to be profitable nor, in the event of privatisation, be deemed to be a network that would merit the interest of anyone seeking to purchase a network in the future. These and similar schemes would be the ones left behind and therefore, there is a significant obligation on us as representatives to ensure the Government works in tandem and in co-operation with local authorities so the revenue stream remains, no matter how little it might be in present circumstances. It is hoped that planned initiatives or those committed to in the future would generate the sort of activity which would allow that funding to be made available again to local authorities in order to initiate development in their respective areas.

Deputy Thomas P. Broughan: I echo the very thoughtful comments of Deputy Cowen. I commend Deputy Catherine Murphy for proposing this amendment which probably should have been proposed in another section, section 4 perhaps, because it is a fundamental aspect of the costing for Irish Water and of the future income and expenditure of local authorities.

I refer to new developments in the constituency I am proud to represent which is now Dublin Bay North. I refer to the effects of the crash on major developments in the constituency. These came to a halt when they were 20% completed and they must now be resumed and built in a sustainable and progressive way. We have all at one stage been councillors and we are familiar with the interaction between the local authority and developers in the preplanning stages of development. Additional information provided in the planning stages often relates to water services and to drainage in particular. In fact, drainage tends to be the key element of the expertise of local authorities because they know their own territory better than anyone else. Those who represent a seaside constituency or a constituency with high ground, have particular concerns in this regard. We are used to the planning process as it proceeds, possibly, to a decision by An Bord Pleanála. Deputy Catherine Murphy is correct that we need certainty as to how those development contributions will be made, how they will be estimated and what role Irish Water will have in that regard. There does seem to be a lacuna in the Bill. It is something the amendment, which I urge the Minister to accept, would begin to address. As someone who is opposed to the strategy, I would prefer to have local authorities involved, even on a regional basis, and that they would continue to administer water and drainage services. I am very familiar with the Dublin region.

It is difficult to see how the company will work in terms of development contributions. One thinks of the National Transport Authority and the National Roads Authority which are enabling national bodies but Irish Water seems to have a much more intrusive role locally. I agree with Deputy Cowen that it is difficult to see how the expertise we need would be available, in particular in the drainage sphere. When I appealed to the Minister, Deputy Alan Kelly, not to proceed with the Bill, I said in particular that I felt this monster quango with powers over every river and tributary and piece of drainage infrastructure in the country was not the way to proceed. We need local expertise - Munster people looking after Munster, Leinster people looking after Leinster, Connacht people looking after Connacht and the same for the Dublin region. The amendment is timely.

Another issue that arises is the way water services were funded locally, and the residual water duties and obligations which are left to local authorities, to which a number of Deputies eloquently referred in last week's debates. Deputy Twomey's thoughtful contribution suggested looking at other water companies. A major point in connection with Irish Water is the impact in particular of the property tax on my constituency. It is so disastrous and is placing such a heavy burden on people that the minimum they will expect after the general election is that the charges for which people will have to stump up sums of up to €800 on 21 March 2015, in addition to the new water charge, is that in future all local services will be funded under the one payment. That is something which, again, has not been thought out.

We have had many interesting contributions from constituents on the figures for the establishment of this vast new enterprise, following the long debate of last Thursday night. I am sure you have had a few of them yourself, a Leas-Cheann Comhairle. Again, no matter how many people try to figure out the numbers, one is talking about between €40 million and €60 million net advantage to the country. No matter how one looks on it, based on what we have heard to date, we can see that will be the net cost of all of this aggravation, anxiety, angst and unfortunately, desolation, or fortunately for the Government when it has to face the electorate. That is a desolate picture. I urge the Minister to look again at the matter. The amendment is timely because it is a major part of a huge jigsaw that Deputy Catherine Murphy has identified and which simply has not been addressed by either the Minister or the Minister of State.

Deputy Bernard J. Durkan: One of the things we need to keep in mind, arising from Deputy Catherine Murphy's amendment, and indeed from the section, is that it is true that as Deputy Broughan has just said, perhaps we did not think about the issue properly. Perhaps we have spent a lot of time thinking about it, but we did not do a whole lot about it. Whether we like it or not, for the past 20 years it was obvious that there was a need for a carefully constructed body to deal with water supply in this country. There is no good in saying we will do it the old way because that did not work. To be fair to local authorities, they struggled to provide a quality water supply. The big problem was there was no central authority except the Department of the Environment, Community and Local Government. We have seen other countries across Europe change their tactics in this area.

4 o'clock

A debate similar to this one took place in the neighbouring jurisdiction when it introduced changes in this area. During that debate, various queries and theories were put forward as to whether the new system would do the job it was intended to do. Notwithstanding whether it did so, the job still has to be done by somebody.

While it is dangerous to agree with the Opposition, I concur with the views expressed by Deputy Cowen. As Deputy Broughan will attest, the Government side rarely agreed with me when I sat on the Opposition benches.

Deputy Thomas P. Broughan: I am still waiting for an opportunity to get into government.

Deputy Bernard J. Durkan: I do not propose to discuss that issue, although we could do so if necessary.

Deputy Cowen noted the vast number of people who depend on water. A supply of water is a basic and crucial service that must be made available to every household in urban and rural areas.

Deputy Catherine Murphy: That is the reason I tabled the amendment.

Deputy Bernard J. Durkan: I appreciate that, although I note also that Deputy Catherine Murphy and I view the issue from two different perspectives. For example, she proposes that water be supplied without investment or a co-ordinated approach. I have been listening to that perspective for the past 20 years for God's sake and I have yet to see any progress being made. In parts of the constituency the Deputy and I share the water supply is extremely deficient.

Deputy Thomas P. Broughan: Deputy Durkan was a Minister of State in the 1990s.

Deputy Bernard J. Durkan: As Deputy Broughan will recall, I was responsible for a different area. While the Department of Social Protection caters for a large number of people, it has a limited role in the supply of water.

Everybody depends on having a water supply. Perhaps Deputies should try to function without a water supply for a week or two or perhaps six months or boil water for a couple of days, weeks, months or years.

Deputy Seamus Healy: What about the elderly gentleman in my constituency who was without water for a full week?

Deputy Bernard J. Durkan: Let all of the Deputies opposite who have spoken so loudly on this concept propose an alternative. Water is being boiled *ad infinitum* and they have not yet made a single progressive or positive proposal, other than to reiterate the view that water should be free. I agree that water should be free and is a fundamental right.

Deputy Thomas P. Broughan: The Deputy should vote with us.

Acting Chairman (Deputy Liam Twomey): There are to be no interruptions. The Deputy should address his remarks to the amendment.

Deputy Catherine Murphy: On a point of order, I have not heard anything about the amendment.

Deputy Bernard J. Durkan: I am speaking to the amendment.

Water is a fundamental right, provided one collects it oneself. When one expects others to do it on one's behalf the presumption is that someone will be paid for collecting it. The presumption being made by the vast majority of speakers on the Opposition side is that somebody else should pay for it.

Deputy Thomas P. Broughan: We have always paid for water.

Deputy Brian Stanley: I propose to address the issues raised by the Acting Chairman, Deputy Twomey, in his earlier contribution. Every time the Deputy speaks in this debate, he refers to the North. I wholeheartedly welcome his repeated references to the North as Sinn Féin struggled for years to have the issue discussed in the House. It is fantastic, therefore, that he mentioned the North so many times.

Deputy Durkan has been in Fine Gael - the united Ireland party - for a long time. Given its newfound interest in the North, the next logical step would be for the party to run candidates in elections sna Sé Contae.

Deputy Bernard J. Durkan: Deputy Stanley should not encourage me to debate the issue with him.

Deputy Brian Stanley: Deputy Durkan had a good run on this amendment.

Sinn Féin would welcome electoral competition from Fine Gael in the North. Perhaps the party would supplant the SDLP.

A couple of facts have been missed in the discussion on Northern Ireland Water. We heard about the structures in place in the North. Northern Ireland Water was established by the British Government under the direct rule system. A five party power-sharing Executive replaced direct rule in 2007. The party I represent is one of the parties at the Executive table and for a couple of short years, we held the regional development Ministry. Alex Attwood of the SDLP subsequently took over the Department from Sinn Féin. In the short period that Conor Murphy was Minister, he tried to address some of the problems in Northern Ireland Water. One of the major problems was the lack of investment in sewerage infrastructure. More than £1 billion was invested in urban areas of the North, primarily Belfast, to upgrade the sewer network as the problem had not been addressed under direct rule.

A second problem the Minister faced was that the envelopes containing bills for water ser-

vices were ready to be sent when he took office in 2007. Sinn Féin prevented the water charges from being implemented. As one party in a five party Executive, we are committed to doing everything in our power to prevent the introduction of domestic water charges. We are also committed to preventing their introduction here for the same reasons. The current Minister with responsibility for water in the North is Alex Attwood of the SDLP.

Deputy Paudie Coffey: Sinn Féin passed the budget to install water meters.

Deputy Brian Stanley: Instructions have been issued to stop installing meters.

As I indicated on many occasions to the previous Minister, Mr. Phil Hogan, I would not hold up Northern Ireland Water as an example to follow. Several changes must be made to the company. Sinn Féin is only one party in a five party coalition. I highlighted the weaknesses in Northern Ireland Water on previous occasions when I compared the position in the North with the position here when county councils were in charge. During the big freeze of 2010, Louth County Council supplied water to County Down because the board and corporate structure of Northern Ireland Water showed a failure to be responsive. The Minister had to kick backsides to get them to do their job. We should not hold up Northern Ireland Water as a good example because the company needs to be improved. Unfortunately, Sinn Féin does not hold 51% of the votes in the Assembly and Executive. However, we will continue to work on the issue and would welcome suggestions from Fine Gael. We would also welcome any influence the party can bring to bear on the current Minister in the Executive, Mr. Attwood.

I welcome Deputy Catherine Murphy's amendment. There are significant concerns about who controls development levies and where they are spent. When I was a county councillor we were heavily lobbied and received considerable attention from the people who paid development levies on how revenue from the levies was to be divided up between roads, recreational services, water and sewerage infrastructure and so forth. Those who paid the levies, whether to build a once-off house or for a commercial or large housing development, were always pushy in seeking to influence how revenue from the levies was spent. The people they approached were the councillors who were democratically accountable for the allocation of these moneys. Every year, the management of the local authority was required to prepare a proposal and report on the expenditure of these funds. I note from the Minister of State's body language that he does not like hearing this. These are, however, the facts of the matter. Councillors and officials were held directly accountable. No such mechanism is included in the Bill.

Deputy Paudie Coffey: What was the result?

Deputy Brian Stanley: God help those who try to achieve some level of accountability from Uisce Éireann in respect of how it spends income from development levies.

On privatisation, we heard from a member of one of the Government parties, Deputy Michael McNamara-----

Deputy Paudie Coffey: That matter was put to bed.

Deputy Brian Stanley: No, it was not. Having read the relevant part of the Bill, the Deputy has highlighted an important issue. He felt strongly enough to abstain from the vote on the original Bill last Christmas. Perhaps the Minister of State will recall the Deputy's wise decision to abstain. He should not try to brush the matter to one side with a wave of his hand. He is not Mr. Hogan.

This is a timely amendment because this issue is causing serious concern. Some level of accountability is required, although I do not see how it will be achieved in the Bill before us, which does not provide for any accountability. The Minister has more work to do on this matter. Those who pay development levies will demand accountability from us and we will not be in a position to provide it. The unfortunate county councillors who are closer to members of the public will be in an even worse position. How will this issue be addressed?

On the section, I have a question on regulations and orders. I am asking that, at the very least, the Minister of State give a commitment, on behalf of the Minister, that all regulations will be brought before the Joint Committee on the Environment, Culture and the Gaeltacht. That is the very least he can do because regulations introduced by a Minister can have major consequences. We have seen legislation introduced through regulations and regulations have been used to supplant legislation. The Minister will have significant powers and we will have no opportunity to scrutinise or to have an input into that process.

Deputy Lucinda Creighton: I support the amendment which is very acceptable and would not be particularly formulaic. It is not something which would be particularly binding; it is simply directional and I do not see anything to fear on the part of the Minister.

There has been a lot of commentary on the role of development levies. When I was a member of Dublin City Council and as a Deputy in the city area, I noticed the major pressure brought to bear on officials to grant planning permission, often in dubious circumstances, in order to gain development levies at a time when local authorities were starved of funding. Things, however, have changed. We know that 80% of property tax revenue is due to be ring-fenced for expenditure in the areas in which it is raised. We will see what will happen in that regard, but I have my doubts. We saw €250 million of property tax revenue being siphoned off for Irish Water and I am not convinced that will not happen again. There are new means and mechanisms for funding local authorities. It is appropriate that the Minister should try to find a way in which the money that will be payable through development contributions will play a role in improving the water supply across the country. I am, however, very fearful. The purpose of Irish Water has - pardon the pun - been watered down. It was supposed to be in a position to raise private finance to be invested in decent water infrastructure all over the country. In my constituency alone billions of euro are required to make the system function and operate in a fashion which will be enduring and ensure a proper water service and drainage system will be available to the public long into the future. I do not believe, however, Irish Water has the capacity to deliver this at this time. The amendment makes sense because the wording is flexible. It reads: "may continue to be utilised towards investment in water and water infrastructure". That is very reasonable and I do not see any reason to oppose it.

Deputy Paudie Coffey: The debate we have had highlights why we need a national water utility which can meet the needs and demands of society. Deputies on both sides of the House have stated clearly where investment is needed. The difference between this side of the House and the Opposition is that the Government has to set out its model of funding, structure and, more importantly, from where the funding will come. It is somewhat hypocritical for Deputies to tell the House that we need to invest in A, B and C around the country without telling us from where the funding will come.

The Water Services (No. 2) Act 2013 allows for the transfer of property from a water services authority to Irish Water by way of ministerial order. Where such property transfers occur, rights or liabilities related to that property also transfer to Irish Water. With regard to develop-

ment levies collected by a local authority transferred to Irish Water, most will continue to be utilised for the purposes for which they were collected.

Following the establishment of Irish Water, with effect from 1 January 2014, planning authorities were requested to operate revised procedures for the application of development contribution levies. In the case of planning permissions granted prior to 1 January 2014, they were advised that the full development contribution charge, where such was attached as a condition of planning permission, including, where relevant, the portion in respect of water services infrastructure, should be paid to the planning authority in accordance with the terms of the planning permission granted.

In the case of planning permissions granted after 1 January 2014, planning authorities were advised that, when granting planning permission, they should no longer include a portion in respect of water services infrastructure in any development contribution applied and that such charges would instead be levied by Irish Water. They were further advised that new development schemes made after that date should not contain charges in respect of water services infrastructure.

Deputies will agree that we have a very complex and varied connection system for water around the country. One local authority applies one connection charge, but the charge applied by another can be quite different. This is no different from any national utility where we need to develop consistency in standards, costs and quality. That is why, fundamentally, we need Irish Water. It already happens in the case of the electricity network, as I have outlined, where the ESB outlines its proposals for connection policies every so often. They are scrutinised and analysed by an independent regulatory body which examines their cost, impact and how they can serve the customer. It then signs off on the connection charge. The ESB developed standard connection charges over a decade ago. It is a fairer system and creates transparency and consistency across the board. Irish Water will be required, in a similar manner to other utilities, to provide a customer charter which will assure the customer the standards and quality to which he or she is entitled. It is the responsibility of the independent regulator to have oversight of that process.

Deputy Michael P. Kitt referred to comparisons and how Irish Water's establishment, operational, capital and structural costs compared. The CER has closely examined and analysed the structure of Irish Water and all that goes with it and found it to be very efficient in comparison to that of similar utilities in Wales, Northern Ireland and elsewhere in Europe. These documents were presented at a joint committee meeting, at which CER representatives were available for full questioning on any of these matters. I ask any Deputy or member of the public to browse the CER's website, on which a large amount of detailed documents are published for all to see and which provide for full transparency on the structure of Irish Water.

Deputy Catherine Murphy: I asked a number of questions which were not answered. I asked about the general Government deficit. Any money collected in water and wastewater charges in local authorities prior to 2013 is being accumulated for transfer to Irish Water. Local authorities are only allowed to spend development contributions collected in the same year. For example, money collected in 2014 can only be spent in that year. Prior to that local authorities were not allowed to spend money because the general Government deficit figure had to be maintained. When this money is transferred to Irish Water, will it form part of the general Government deficit?

If development contributions are collected in Waterford, they will be paid into the Central Fund. There was a legal obligation to spend the moneys raised in the area for the purpose for which they had been collected. If they are paid into a general fund, there will be a question mark over the legality of this. If the money is not spent for the purposes for which it was collected and not spent within seven years, there is a requirement to return the development contributions to the person who paid them. That has been standard practice for a long time. If one is connected to a public supply, one has always paid for it. Most people did not realise they paid, because it was part of the cost of their house. Often, it was a large amount of money, which would have been part of their mortgage. Therefore, the notion that people have not paid is wrong. All of the capital moneys that have been provided for the upgrading of treatment plants has come from the development contributions. There is little certainty in regard to how Irish Water will handle this issue in the future. I have not heard anything that indicates to me how it will be handled. I presume, based on the Minister of State's contribution, that the amendment is not going to be accepted.

Acting Chairman (Deputy Liam Twomey): As the time permitted for this debate has expired-----

Deputy Seamus Healy: Will the Minister of State answer my question?

Acting Chairman (Deputy Liam Twomey): Sorry; as the time permitted for this debate has expired, I am required to put the following question in accordance with an Order of the Dáil on Tuesday, 16 December 2014: "That section 14 is hereby agreed to in Committee."

Question put:

<i>The Dáil divided: Tá, 81; Níl, 49.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Bannon, James.</i>	<i>Adams, Gerry.</i>
<i>Barry, Tom.</i>	<i>Broughan, Thomas P.</i>
<i>Breen, Pat.</i>	<i>Calleary, Dara.</i>
<i>Burton, Joan.</i>	<i>Collins, Joan.</i>
<i>Butler, Ray.</i>	<i>Collins, Niall.</i>
<i>Buttimer, Jerry.</i>	<i>Colreavy, Michael.</i>
<i>Byrne, Catherine.</i>	<i>Coppinger, Ruth.</i>
<i>Byrne, Eric.</i>	<i>Cowen, Barry.</i>
<i>Cannon, Ciarán.</i>	<i>Creighton, Lucinda.</i>
<i>Carey, Joe.</i>	<i>Daly, Clare.</i>
<i>Coffey, Paudie.</i>	<i>Doherty, Pearse.</i>
<i>Conaghan, Michael.</i>	<i>Ellis, Dessie.</i>
<i>Conlan, Seán.</i>	<i>Ferris, Martin.</i>
<i>Connaughton, Paul J.</i>	<i>Flanagan, Terence.</i>
<i>Conway, Ciara.</i>	<i>Fleming, Sean.</i>
<i>Coonan, Noel.</i>	<i>Fleming, Tom.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Grealish, Noel.</i>
<i>Costello, Joe.</i>	<i>Halligan, John.</i>
<i>Coveney, Simon.</i>	<i>Healy, Seamus.</i>

<i>Creed, Michael.</i>	<i>Healy-Rae, Michael.</i>
<i>Deasy, John.</i>	<i>Higgins, Joe.</i>
<i>Deenihan, Jimmy.</i>	<i>Keaveney, Colm.</i>
<i>Deering, Pat.</i>	<i>Kirk, Seamus.</i>
<i>Donohoe, Paschal.</i>	<i>Kitt, Michael P.</i>
<i>Dowds, Robert.</i>	<i>Lowry, Michael.</i>
<i>Doyle, Andrew.</i>	<i>Mac Lochlainn, Pádraig.</i>
<i>Durkan, Bernard J.</i>	<i>McConalogue, Charlie.</i>
<i>Farrell, Alan.</i>	<i>McDonald, Mary Lou.</i>
<i>Feighan, Frank.</i>	<i>McGrath, Mattie.</i>
<i>Fitzpatrick, Peter.</i>	<i>McGrath, Michael.</i>
<i>Gilmore, Eamon.</i>	<i>McGuinness, John.</i>
<i>Griffin, Brendan.</i>	<i>McLellan, Sandra.</i>
<i>Hannigan, Dominic.</i>	<i>Martin, Micheál.</i>
<i>Harrington, Noel.</i>	<i>Mathews, Peter.</i>
<i>Harris, Simon.</i>	<i>Murphy, Catherine.</i>
<i>Hayes, Tom.</i>	<i>Murphy, Paul.</i>
<i>Heydon, Martin.</i>	<i>Naughten, Denis.</i>
<i>Humphreys, Heather.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Humphreys, Kevin.</i>	<i>Ó Fearghail, Seán.</i>
<i>Keating, Derek.</i>	<i>O'Dea, Willie.</i>
<i>Kehoe, Paul.</i>	<i>O'Sullivan, Maureen.</i>
<i>Kenny, Seán.</i>	<i>Pringle, Thomas.</i>
<i>Kyne, Seán.</i>	<i>Ross, Shane.</i>
<i>Lawlor, Anthony.</i>	<i>Shortall, Róisín.</i>
<i>Lynch, Ciarán.</i>	<i>Smith, Brendan.</i>
<i>Lynch, Kathleen.</i>	<i>Stanley, Brian.</i>
<i>McCarthy, Michael.</i>	<i>Tóibín, Peadar.</i>
<i>McEntee, Helen.</i>	<i>Troy, Robert.</i>
<i>McFadden, Gabrielle.</i>	<i>Wallace, Mick.</i>
<i>McGinley, Dinny.</i>	
<i>McHugh, Joe.</i>	
<i>McNamara, Michael.</i>	
<i>Maloney, Eamonn.</i>	
<i>Mitchell O'Connor, Mary.</i>	
<i>Murphy, Dara.</i>	
<i>Murphy, Eoghan.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>Ó Riordáin, Aodhán.</i>	
<i>O'Donnell, Kieran.</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>Quinn, Ruairí.</i>	
<i>Rabbitte, Pat.</i>	
<i>Reilly, James.</i>	
<i>Ring, Michael.</i>	
<i>Ryan, Brendan.</i>	
<i>Spring, Arthur.</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 Emmet Stagg and Paul Kehoe; Níl, Deputies Catherine Murphy and John Halligan.

Question declared carried.

Section 15 agreed to.

SECTION 16

Deputy Paudie Coffey: I move amendment No. 45:

In page 13, line 10, to delete “and shall be construed together as one”.

This is a technical drafting amendment to remove the text stating the “Water Services Acts 2007 to 2014 and shall be construed as one”.

Deputy Brian Stanley: I tabled an amendment to the Title to make Irish Water comply with the provisions of the Official Languages Act 2003 and I am disappointed that it was not accepted.

Amendment agreed to.

Question put: “That section 16, as amended, stand part of the Bill.”

<i>The Dáil divided: Tá, 81; Níl, 49.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Bannon, James.</i>	<i>Adams, Gerry.</i>
<i>Barry, Tom.</i>	<i>Boyd Barrett, Richard.</i>

<i>Breen, Pat.</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>Creighton, Lucinda.</i>
<i>Conaghan, Michael.</i>	<i>Crowe, Seán.</i>
<i>Conlan, Seán.</i>	<i>Daly, Clare.</i>
<i>Connaughton, Paul J.</i>	<i>Doherty, Pearse.</i>
<i>Conway, Ciara.</i>	<i>Ellis, Dessie.</i>
<i>Coonan, Noel.</i>	<i>Ferris, Martin.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Fitzmaurice, Michael.</i>
<i>Costello, Joe.</i>	<i>Flanagan, Terence.</i>
<i>Coveney, Simon.</i>	<i>Fleming, Tom.</i>
<i>Creed, Michael.</i>	<i>Grealish, Noel.</i>
<i>Deasy, John.</i>	<i>Halligan, John.</i>
<i>Deenihan, Jimmy.</i>	<i>Healy, Seamus.</i>
<i>Deering, Pat.</i>	<i>Healy-Rae, Michael.</i>
<i>Doherty, Regina.</i>	<i>Higgins, Joe.</i>
<i>Donohoe, Paschal.</i>	<i>Keaveney, Colm.</i>
<i>Dowds, Robert.</i>	<i>Kirk, Seamus.</i>
<i>Doyle, Andrew.</i>	<i>Lowry, Michael.</i>
<i>Durkan, Bernard J.</i>	<i>Mac Lochlainn, Pádraig.</i>
<i>Farrell, Alan.</i>	<i>McConalogue, Charlie.</i>
<i>Feighan, Frank.</i>	<i>McDonald, Mary Lou.</i>
<i>Fitzpatrick, Peter.</i>	<i>McGrath, Mattie.</i>
<i>Gilmore, Eamon.</i>	<i>McGrath, Michael.</i>
<i>Griffin, Brendan.</i>	<i>McGuinness, John.</i>
<i>Hannigan, Dominic.</i>	<i>McLellan, Sandra.</i>
<i>Harrington, Noel.</i>	<i>Martin, Micheál.</i>
<i>Harris, Simon.</i>	<i>Mathews, Peter.</i>
<i>Hayes, Tom.</i>	<i>Murphy, Catherine.</i>
<i>Heydon, Martin.</i>	<i>Murphy, Paul.</i>
<i>Humphreys, Heather.</i>	<i>Naughten, Denis.</i>
<i>Humphreys, Kevin.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Keating, Derek.</i>	<i>Ó Fearghail, Seán.</i>
<i>Kehoe, Paul.</i>	<i>O'Brien, Jonathan.</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, Kathleen.</i>	<i>Smith, Brendan.</i>
<i>McCarthy, Michael.</i>	<i>Stanley, Brian.</i>

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<i>McEntee, Helen.</i>	<i>Timmins, Billy.</i>
<i>McFadden, Gabrielle.</i>	<i>Tóibín, Peadar.</i>
<i>McGinley, Dinny.</i>	<i>Troy, Robert.</i>
<i>McHugh, Joe.</i>	<i>Wallace, Mick.</i>
<i>McNamara, Michael.</i>	
<i>Maloney, Eamonn.</i>	
<i>Mitchell O'Connor, Mary.</i>	
<i>Mulherin, Michelle.</i>	
<i>Murphy, Dara.</i>	
<i>Murphy, Eoghan.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>Ó Riordáin, Aodhán.</i>	
<i>O'Donnell, Kieran.</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>Quinn, Ruairí.</i>	
<i>Rabbitte, Pat.</i>	
<i>Reilly, James.</i>	
<i>Ring, Michael.</i>	
<i>Ryan, Brendan.</i>	
<i>Spring, Arthur.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Tuffy, Joanna.</i>	
<i>Twomey, Liam.</i>	
<i>Varadkar, Leo.</i>	
<i>Wall, Jack.</i>	
<i>Walsh, Brian.</i>	
<i>White, Alex.</i>	

Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Catherine Murphy and Joan Collins.

Question declared carried.

TITLE

An Leas-Cheann Comhairle: Amendment No. 46 is out of order.

Amendment No. 46 not moved.

Question, “That the Title be the Title to the Bill,” put and declared carried.

Bill reported with amendments.

Sitting suspended at 4.55 p.m. and resumed at 5.55 p.m.

Business of Dáil

Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe): I move:

That, notwithstanding anything in Standing Orders or the order of the Dáil of yesterday, the Dáil be suspended until 6.30 p.m.

An Ceann Comhairle: It is to allow the Report Stage amendments to be circulated.

Question put and agreed to.

Sitting suspended at 5.58 p.m. and resumed at 6.30 p.m.

Water Services Bill 2014: Report and Final Stages

Deputy Stephen S. Donnelly: On a point of order, I seek permission to move that section 5 be recommitted to Committee Stage from Report Stage based on an irregularity in how closure was sought under Standing Order 66 last Friday. My understanding is that closure of the debate requires a vote of the House. The transcript shows there was no vote, which is serious in light of a Member being suspended. I wish to move that section 5 be recommitted now.

An Ceann Comhairle: You will have to do that when we reach section 5.

Deputy Stephen S. Donnelly: I was told that because we do not debate the Bill section by section on Report Stage, there is no opportunity to move the motion. I am more than happy to do it at the appropriate time.

An Ceann Comhairle: You can remind me when we reach section 5.

Amendment No. 1 is out of order.

Amendment No. 1 not moved.

An Ceann Comhairle: Amendment No. 2 is out of order.

Deputy Stephen S. Donnelly: On a point of order, I seek a ruling from the Chair on amendment No. 2. The reason given for amendment No. 2 being ruled out of order is that it is in conflict with the principle of the Bill. The amendment seeks to replace the plebiscite section with a provision that puts an onus on the Government to introduce a Bill providing for a referendum. How is changing a public vote to a public vote on the Constitution in conflict with the principle of the Bill?

An Ceann Comhairle: The amendment seeks to insert new text providing that within three

months of the passing of the Bill the Government must introduce a constitutional amendment. The current Bill does not propose to amend the Constitution. The amendment is in conflict with the principle of the Bill as read a Second Time and must therefore be ruled out of order in accordance with Standing Order 131.

Deputy Stephen S. Donnelly: If I may-----

An Ceann Comhairle: It is out of order, Deputy. We must proceed.

Deputy Stephen S. Donnelly: It is a procedural question. The amendment I tabled on Committee Stage was ruled out of order on the grounds that it sought to change the Constitution and a Bill that seeks to change the Constitution cannot do anything else. I resubmitted an amendment which does not seek to change the Constitution but to oblige the Government to bring forward a Bill to change the Constitution.

An Ceann Comhairle: That is not in accordance with the principle of the Bill. I assure the Deputy that this has been examined. If you wish to talk to the officials separately, they will explain it.

Deputy Stephen S. Donnelly: I appreciate that, but-----

An Ceann Comhairle: We cannot debate it on the floor of the House.

Deputy Stephen S. Donnelly: Can I not get a ruling from you?

An Ceann Comhairle: I have given the ruling. It is out of order.

Deputy Stephen S. Donnelly: It is very difficult to understand how-----

An Ceann Comhairle: I read it for the Deputy.

Deputy Stephen S. Donnelly: You read out the Standing Order, but the explanation-----

An Ceann Comhairle: I did not read out the Standing Order. I read out the reason. It has been ruled out of order in accordance with Standing Order 131.

Deputy Stephen S. Donnelly: The rationale given for the ruling on the Committee Stage amendment does not apply here because-----

An Ceann Comhairle: It does apply.

Deputy Stephen S. Donnelly: The amendment does not seek to change the Constitution, so it does not appear to be in conflict with the principle of the Bill.

An Ceann Comhairle: Amendment No. 2 proposes to amend section 2 of the Bill, which provides that where a Government proposes to initiate legislation which amends the ownership structure of Irish Water there must be a resolution from both Houses of the Oireachtas, and that the proposal would be submitted to referendum. The amendment seeks to insert new text providing that within three months of the passing of the Act the Government must introduce a constitutional amendment. The current Bill does not propose to amend the Constitution. The amendment is in conflict with the principle of the Bill as read a Second Time, and must, therefore, be ruled out of order in accordance with Standing Order 131. I am moving on, with the co-operation of the House, to amendment No. 3.

Amendment No. 2 not moved.

Minister for the Environment, Community and Local Government (Deputy Alan Kelly): I move amendment No. 3:

In page 4, to delete lines 2 to 18 and substitute the following:

“2. (1) A Bill providing or allowing for the alienation of any share or shares in Irish Water to a person other than a Minister of the Government shall not be initiated by or on behalf of a Minister of the Government in either House of the Oireachtas unless—

(a) a Resolution of each such House is passed approving a proposal to provide or allow for such alienation,

(b) a proposal to provide or allow for such alienation is submitted by Plebiscite for the decision of the People, and

(c) a majority of the votes cast in such Plebiscite shall have been cast in favour of the proposal.”.

We had a lengthy debate on the section on Committee Stage and I appreciated all the comments made by the Deputies. I took their comments on board because I felt it was necessary. Every Deputy who was here commented on it. Deputy Naughten made a particular contribution. Having listened to the lengthy and detailed debate in the House, I am bringing forward two amendments on Report Stage which are based on it and will provide full clarity in the Bill.

This amendment clearly states that no legislation can be brought forward by any Government without the support of the people in a plebiscite. It is clear and direct. Having listened to the debate and concerns Members have expressed, including the amendments tabled previously, I propose an amendment to subsection (1). This amendment makes it very clear that any proposal to initiate legislation which would allow for the alienation of shares in Irish Water to any person other than the Minister would require:

(a) a Resolution of each such House is passed approving a proposal to provide or allow for such alienation,

(b) a proposal to provide or allow for such alienation is submitted by Plebiscite for the decision of the People, and

(c) a majority of the votes cast in such Plebiscite shall have been cast in favour of the proposal.

I would also like to clarify the position on shares in Irish Water. Early in today’s debate, Deputy McNamara suggested that shareholders in Irish Water might seek to dispose of their shares without the Government’s introducing legislation. This is untrue. Section 5 of the Water Services Act 2013 provides that the shares in Irish Water were issued to Ervia and the Ministers for the Environment, Community and Local Government and Finance. The section prohibited Ervia from alienating its share in Irish Water. The Water Services (No. 2) Act 2013 amended section 5 by inserting a new clause to provide that neither the Ministers for the Environment, Community and Local Government and Finance nor Ervia can alienate the shares issued to them. This provides a prohibition on the privatisation of Irish Water. Section 2 of the Water Services Bill 2014 must be viewed in the context of the existing legislation, which provides

that any proposal to change the current shareholding, other than where the shares transfer to another member of the Government, be subject to a plebiscite. I trust this clarifies the matter, and it reflects the comments of speakers on Committee Stage, particularly the stipulation that “a majority of the votes cast in such Plebiscite shall have been cast in favour of the proposal” and the other changes that have been proposed.

An Ceann Comhairle: On Report Stage, Members may speak twice. The first time they speak, there is no limit on their contribution; the second time they speak there is a two-minute limit.

Deputy Brian Stanley: The Minister has moved somewhat to try to address the issue through legislation. However, the Minister is not in a position to hold any future Government, right, left or centre, to the legislation. The changes he has made are aimed at trying to get the Bill through the Seanad, given that his party members in the Seanad clearly backed the need for a referendum when they voted to introduce a constitutional amendment to ensure water services do not pass into private ownership. The Minister’s move strengthens it from the point of view of legislation in this House in that it provides that before any alienation of shares in Irish Water,

(b) a proposal to provide or allow for such alienation is submitted by Plebiscite for the decision of the People, and

(c) a majority of the votes cast in such Plebiscite shall have been cast in favour of the proposal.

However, it is dependent on a future Government holding to the legislation. We have seen how quickly legislation and Governments can be changed. We have seen the pressure that can be put on Governments during financial catastrophes to sell assets to the private sector when it suits. Hopefully, we will never again have a major financial collapse on the scale of the catastrophe of 2007 to 2011. However, we could wind up in a situation in which the big boys in Europe pressurise the Minister or his successor to change the legislation or comply with some European competition legislation. The European Commission has targeted utility services to ensure there is competition. I am concerned that the Minister has gone only some of the distance. I have listened carefully to every word the Minister has said in recent months on the issue, and he seems to be certain in his mind that water should never be privatised. The one certain way to ensure this is to put it into the hands of the people.

Deputy Thomas P. Broughan: Hear, hear.

Deputy Brian Stanley: The Minister is putting it into the hands of politicians, and who knows what kind of politicians we will have and what kind of Government majority there will be in the future? By putting it into the Constitution, the Minister would put water services and resources into the hands of the Irish people. What does the Minister of State, Deputy Coffey, think is wrong with that? The Government must trust the Irish people. A number of referendums will take place next year. The two referendums scheduled to take place in May are welcome. All the Government has to do is produce another A5 sheet of paper asking the people to choose “Yes” or “No” regarding a proposal to insert an amendment into the Constitution that water services and resources belong to the State and cannot be privatised. I introduced a simple Bill to insert such a provision, and the Government voted against it.

In their heart of hearts, the Labour Party Members understand how legislation, the Government, the Dáil and the Seanad work and how matters can change. The one way the Minister

can do this is the way his colleagues in the Seanad did it a few weeks ago: by supporting the proposal that we amend the Constitution to copperfasten this and put it to bed for once and for all. There are probably people in Fine Gael with whom this does not sit right - people who want it kept in public ownership. I suspect there are others in Fine Gael who could not care less whether it is privatised, and I am addressing them also.

Deputy Paudie Coffey: It is a red herring.

Deputy Andrew Doyle: We cannot do it.

Deputy Brian Stanley: The one way to copperfasten it is by way of a constitutional amendment. The Minister's move leaves it in the hands of future Governments, and that is its weakness.

Deputy Denis Naughten: I agree with the principle of what Deputy Stanley said. Although the most secure way to ensure Irish Water and its assets are not privatised is to enshrine it in the Constitution, we do not have such a facility in this legislation. I am glad the Minister listened to the argument proposed here on Tuesday and Wednesday of last week and accepted the amendment. Sadly, it is the exception that sensible amendments tabled by the Opposition are taken on board. Members were obliged to argue in this Chamber over two days before this amendment was tabled that there should be a change, from a plebiscite that may be put to the people to one that will be put before them. Had the Government been far more open about the legislation 12 months ago, neither Members nor the Government would be in the mess they are in today in the passage of the Bill. Nevertheless, the amendment the Minister has tabled is welcome. It strengthens significantly the legislation published initially which contained a weakness in that it was at the discretion of a Government whether a plebiscite would be put to the people on whether the assets of Irish Water should be disposed of. This ran contrary to the commitments the Minister had given both inside and outside the House. I, therefore, welcome the amendment. I remain concerned, however, that at some stage in the future the boot boys from the troika or the European Union may put a gun to the head of some future Government - as was done in the past in the case of the late Brian Lenihan - to force it to introduce emergency legislation to take out this provision from the legislation and hive off the assets of Irish Water into private hands. I reiterate that I welcome the move that has been made.

It is highly unusual for a Minister or a Government to accept amendments tabled by the Opposition, which should be done as a matter of course in any properly functioning Parliament. However, I acknowledge that the Minister listened to the argument I made and accepted that there was a weakness in the legislation that I highlighted last Tuesday week. He has brought forward what I consider to be a sensible amendment to clarify and strengthen the legislation and ensure that, as the Bill is drafted and enacted, should an attempt be made to dispose of the assets of Irish Water at a future date, the issue will have to be put to the people.

Deputy Thomas P. Broughan: Obviously, the earlier debate on the section has resulted in an improvement in its make-up, in particular, with the addition of this amendment. However, major concerns remain because in recent years Members have watched fundamental changes take place with regard to semi-State assets. I refer, for example, to the position of Irish Water's mother company, Ervia, and how, as I mentioned the other day, the Government sold off Bord Gáis Energy which was an historic semi-State brand and important national infrastructure. Obviously, the pipes remain as a little bit was learned from the tragedy of what happened in the privatisation of Eircom. However, major concerns remain about this issue and it seems incredible

that the Government has not gone the important extra mile, as outlined in the amendment that the Ceann Comhairle has refused to allow to be moved in the House about having a referendum and having cast-iron certainty that a referendum would be held, such that this issue would be locked down for good.

Even the wording, “other than a Minister of the Government”, could be concerning in terms of what might happen in a future Government and how the important water and drainage network of Ireland would be managed in the future. I note we are told that it is worth €11 billion, or is it worth €20 billion? It is a lost opportunity to state absolutely and categorically that the public water and drainage systems will be kept forever in the public sector. This could well return to haunt the Minister and while the amendment improves section 2 to an extent, it still leaves major concerns that the Minister has left open the door to privatisation and that it could happen down the line.

Deputy Thomas Pringle: In common with other Deputies, I acknowledge that the Minister has decided to amend the legislation to remove the word “may” and add “shall”. The amount of time that was taken up in the debate on this issue last week makes one wonder why there is resistance within the Government and the Civil Service to holding a referendum to define clearly the ownership of Irish Water and water services and put the issue to bed once and for all and why that resistance is so trenchant. Perhaps it might have something to do with the other forces about which Deputy Fergus O’Dowd spoke when he was present in the Chamber last week and the risk of possible privatisation of water services. The fact remains that it will be open to any future Government to bring in a one-page item of legislation to delete this subsection from the Bill. This then would automatically allow for the alienation of the shares within Irish Water and it is not inconceivable that this could happen. While Deputy Brian Stanley made the point about not knowing what type of politician will be in the House in the future, it is more than likely that the politicians who are already on the other side of the House will be the ones who will bring forward such legislation to amend the Bill. There is a possibility that there could be outside shocks or external pressure from the European Union to make the privatisation of Irish Water happen, but it is more than likely that it will come from internal sources within the political system here because the ideology of the Government clearly is to outsource and privatise public services and resources.

Deputy Robert Dowds: Not so.

Deputy Thomas Pringle: My fear is that this will happen in piecemeal fashion. Even if the Government does not decide to amend this legislation and sell off Irish Water as a whole, what will probably happen when the service level agreements with the local authorities come up for renewal in 2025 is that the Commission for Energy Regulation will insist on the contracts going out to tender. Members will then see water companies such as Veolia, Severn Trent and Celtic Anglian Water that are already operating design, build and operate contracts nationwide tender for the contract for the provision of regional supplies. Consequently, the local authorities will be forced into a position where they will be obliged to tender for a service level agreement against the likes of Veolia or Severn Trent. Moreover, they will lose because it will be an unfair competition as the Commission for Energy Regulation was established to liberalise energy markets. It has been highly successful both at increasing the price of electricity and facilitating the entry of other operators into the market. That is the creeping privatisation that will happen, regardless of whether the Government or any future Government decides to amend the legislation or have a plebiscite. What will happen is that, county by county, the operation will be handed over to private companies to provide services. In many ways, that is the ideal world for

these private companies because they will not have any of the responsibility or the governance procedures required. Irish Water will still do all of that for them and they will simply receive a massive cheque for the provision of services that heretofore have been provided by local authorities. Therefore, while I acknowledge the Minister has tabled an amendment, it does not go far enough and one must ask why there is such resistance within the Government to holding a referendum to ensure Irish Water will stay in Irish ownership. That is something the Minister must address.

Deputy Bernard J. Durkan: Thinking back, I must have been one of the first in the House ever to promote the merits of using the word “shall” rather than “may” in legislation and there is a simple explanation for it.

7 o'clock

In the event of the word “shall” being inserted the Administration is obliged to do something, whether or not there is a necessity to so do, whereas in the event of the word “may” being inserted an Administration may in the event of necessity invoke a particular piece of legislation as required.

I do not know what more can be done to assure the people that Irish Water will not be privatised unless and until a referendum or plebiscite is held. I have long since held the view that some utility services are better held in public ownership. However, we have had the experience of the situation facing the local authorities and the National Roads Authority and the heavy investment required in that regard. When it was not possible to co-ordinate that level of investment from the various local authorities we all agreed as members of local authorities that it was better to centralise the system to ensure progress was achieved quickly, otherwise nothing would be done.

The provision of a reliable water utility in this country is a serious issue that requires the ultimate treatment in terms of how to deal with it, how to make it as accountable as possible and how to ensure it does the job it is intended to do, without privatisation. I believe sufficient provision is made in the Bill to ensure that any future Government, including from the opposite side of the House-----

Deputy Richard Boyd Barrett: Is that a prediction?

Deputy Bernard J. Durkan: -----regardless of what members over there might say today, will not come out of the darkness, do a U-turn and decide it appropriate that this utility be privatised in order to achieve a particular advantage. To my mind, provision is already sufficiently interposed in the legislation to ensure the protection of the institution as a public entity for the foreseeable future. It should be acknowledged that the public could change its mind some time in the future. I hope that it does not from the point of view of what is being said in this House now. I believe there is a need to ensure that into the future there is a sufficient degree of consultation with the public prior to the making of any major policy change in this area. I say that having been one of the people who strongly opposed the privatisation of the telecoms system in this country years ago. All kinds of arguments were put forward at the time. They were all wrong and did not stand up in the event. I hope we have learned from all those experiences and that as a result we have now come up with the ultimate in terms of foolproof legislation that will ensure that what we set out to do will be done and is safeguarded as such.

Deputy Liam Twomey: Personally, I believe the idea that we would call for a referendum

on Irish Water is daft. I believe also that members of the Opposition know within their hearts that it is daft. Why not call for a referendum on all our hospitals remaining in public ownership?

Deputy Richard Boyd Barrett: Good idea.

Deputy Aengus Ó Snodaigh: Most of them are anyway.

Deputy Paudie Coffey: Sinn Féin would nationalise everything.

Deputy Liam Twomey: Would members opposite like a referendum to ensure that will always be the case? Should the same apply in respect of our roads and so on? The fact that members opposite are calling for a referendum means that not only do they have no regard for the Dáil Chamber and the Oireachtas but they have no regard for the people who elected them. The people elected the Deputies to represent them. There are more people in this Chamber and Oireachtas who want to get rid of Leinster House than there are people who want to privatise Irish Water.

Deputy Aengus Ó Snodaigh: We could have a referendum on that as well.

Deputy Liam Twomey: The Deputy is one of those people. He is a slow converter to democracy as well.

A Deputy: He will get there yet.

(Interruptions).

Deputy Liam Twomey: There are a few other Deputies behind Deputy Ó Snodaigh who also need a little house training. They still have not got their heads around that anarchy and all that rubbish does not make for a better country.

An Leas-Cheann Comhairle: The Deputy should speak to the amendment.

Deputy Liam Twomey: My point is that there are some people here who have little regard for the Oireachtas yet they are calling for a referendum on Irish Water.

Deputy Bernard J. Durkan: Hear, hear.

Deputy Liam Twomey: The people do not want to privatise Irish Water. It is only in the United Kingdom that water companies are privatised. This does not happen in Northern Ireland, the Republic or most European countries. It is only in the United Kingdom that that happened and we have seen how it failed.

(Interruptions).

Deputy Liam Twomey: We have no intention of repeating those mistakes.

Deputy Aengus Ó Snodaigh: The Deputy does not know what he is talking about.

Deputy Liam Twomey: I will give way if the Deputy has something to inform me on.

An Leas-Cheann Comhairle: Deputy Twomey, please speak to the amendment.

Deputy Liam Twomey: In most European countries the water utility companies are similar to Irish Water.

Deputy Aengus Ó Snodaigh: I do not think so.

Deputy Liam Twomey: Yes. I know the Deputy prefers to go to Denver when he needs back-up on this sort of issue.

An Leas-Cheann Comhairle: Deputy Twomey, please speak through the Chair.

Deputy Liam Twomey: The reality is that water utilities across Europe are similar to Irish Water. Sinn Féin should have greater regard for the people who elected them to this House-----

Deputy Bernard J. Durkan: Hear, hear.

Deputy Liam Twomey: -----because if the people decide they want to privatise Irish Water they might well elect a radically different Government or Members of Parliament.

(Interruptions).

Deputy Liam Twomey: Deputy Ó Snodaigh in calling for a referendum to be held on the ownership of roads, schools and everything else is showing a lack of trust on behalf of the people who elected him. The Deputy knows this is nonsensical.

Deputy Aengus Ó Snodaigh: No, it is not.

Deputy Liam Twomey: It is.

Deputy Aengus Ó Snodaigh: It is more nonsensical to hold a plebiscite.

An Leas-Cheann Comhairle: I cannot allow any more crossfire. Deputy Twomey, please speak through the Chair and on the amendment.

Deputy Liam Twomey: We have had an endless debate on this issue. I have read all about how Northern Ireland Water was established. What we are doing is not that different. Sinn Féin is in government in Northern Ireland where water meters are being installed and bonus payments are being paid to executives.

Deputy Brian Stanley: No.

A Deputy: Some 35,000 meters have already been installed.

An Leas-Cheann Comhairle: Deputy Twomey has the floor.

Deputy Liam Twomey: There is little difference, yet Sinn Féin is marching people up the hill and down again and saying that it is going to do something radically different. Sinn Féin has been in government in Northern Ireland for seven years yet it has done nothing that is radically different up there in regard to water.

Deputy Aengus Ó Snodaigh: There are no charges.

Deputy Liam Twomey: Sinn Féin is biding its time in that regard. On the household charge in Northern Ireland-----

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

Deputy Liam Twomey: I have the floor but I am being continually interrupted.

Deputy Aengus Ó Snodaigh: The Deputy keeps addressing me.

Deputy Liam Twomey: In regard to the household charge in Northern Ireland, £160 per annum of that goes to meet water service provision. A further £200 million of the Westminster grant also goes towards water services. That same £200 million will probably form part of the budget deficit if things do not get sorted out up there. Perhaps water charges are on the way.

(Interruptions).

Deputy Liam Twomey: It is clear that-----

An Leas-Cheann Comhairle: I must ask Deputy Twomey to conclude as there are eight other Deputies waiting to speak.

Deputy Liam Twomey: I am doing my best but Deputy Ó Snodaigh insists on speaking over me. The document published by Northern Ireland Water makes clear that no domestic charges will be introduced in 2014 or 2015. It does not say they will not be introduced. That is the reality. Perhaps it is coincidental that the elections in the North will take place at the same time as the general election here.

(Interruptions).

An Leas-Cheann Comhairle: Deputies, please.

Deputy Liam Twomey: Perhaps Sinn Féin does not have to discuss the issue until such time comes.

Deputy Aengus Ó Snodaigh: Deputy Twomey is misleading the Dáil.

Deputy Liam Twomey: The reality is that there is not much difference between what was done in the North and what we are doing. When one makes the comparison between Northern Ireland Water and Irish Water much of the debate here has been phony and misleading.

Deputy Bernard J. Durkan: Hear, hear.

Deputy Michael Conaghan: With Irish Water we are establishing a major piece of national infrastructure. In terms of comparisons and analogies the best example is probably the establishment of the ESB in the early years of this State. As in the case of water provision now, at that time we had a multiplicity of small suppliers and local generating plants serving particular towns and districts. This situation severely inhibited the country's industrial and commercial life.

The establishment of the ESB replaced these small localised electricity suppliers with a single nationally based entity. This was transformative. The establishment of the ESB transformed the country's economic and commercial fortunes, as well as its domestic life. Yes, there was a cost but instead of concentrating on it, the people saw the value of it. Like with the establishment of the ESB in the past, the Minister today is proposing a major new piece of national infrastructure. Just as in the time of the establishment of the ESB, the Minister has his critics. Yes, there are criticisms but no alternatives, however. Yes, the new scheme will be costly but the alternatives will be more costly for this country in the long run.

Alongside the benefits to the country's economic and domestic life, we must factor in the benefits for our national environment, our beaches and our rivers. As many as 40 large rivers

are reckoned to be spilling raw sewage into the open seas and along our beaches. This aspect of untreated water does not receive sufficient attention. Its cost to our tourism industry has not yet been calculated.

I commend the Minister for his work in establishing this much-needed national infrastructure. Analogies with the establishment of the ESB, which has been a resounding success, are very fitting and appropriate.

Deputy Ruth Coppinger: How many plebiscites have been held in Ireland? The answer is none. He has just invented something whose status he has not clarified. There are two types of plebiscite. One is a mandatory plebiscite, where the Government must act on the vote of the people on an issue. The other is advisory. Will the Minister clarify which type of plebiscite he is planning on holding?

The reality is that the Minister was bounced into this because he knows the will of the people is to keep water in public hands for the reasons already outlined. It is quite laughable-----

Deputy Paudie Coffey: We welcome the amendment.

Deputy Ruth Coppinger: Is the Minister of State going to be shouting people down now? His carry on is unbelievable.

Deputy Paudie Coffey: The Deputy does a lot of shouting herself.

An Leas-Cheann Comhairle: Order, please.

Deputy Ruth Coppinger: It is quite laughable to hear some Members opposite talking about Europe. We do nothing that they do in Europe. In Europe, they have twice the rate of our corporation tax. Our model is actually from the United Kingdom and it is much more likely the Government will go down the same road the UK did.

Deputy John Lyons: They pay for water.

Deputy Ruth Coppinger: The idea that no Member in this Parliament is in favour of privatising Irish Water is absolutely ridiculous. There are neoliberal hawks in this Parliament who would privatise their own mothers or anything that moves.

Deputy Patrick O'Donovan: Maybe those hawks are in a special protection area.

Deputy Anne Ferris: There are Members opposite who would privatise it too.

Deputy Bernard J. Durkan: They are all lovely over there.

Deputy Ruth Coppinger: The idea that there is an ideological consensus that water must be public is absolutely ludicrous.

Deputy Bernard J. Durkan: I hope there are none of those neoliberal hawks over on Deputy Coppinger's side of the House.

An Leas-Cheann Comhairle: Please, Deputy.

Deputy Ruth Coppinger: It is great to see a few Government Members in the Chamber tonight because the benches over there have been empty for the previous debates.

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Deputy Patrick O'Donovan: Deputy Coppinger has missed a few votes herself.

Deputy Derek Keating: Was she here last night?

Deputy Ruth Coppinger: If they had been here before-----

An Leas-Cheann Comhairle: Can we just have one voice?

(Interruptions).

Deputy Ruth Coppinger: -----they would have heard these arguments. Members opposite obviously do not know how to conduct a debate. The claim there is an ideological aversion to privatising the water system is absolutely ludicrous. There are many Deputies who I could list who would like to see water services privatised as they have supported every other privatisation.

Deputies: Who are they?

Deputy Patrick O'Donovan: I suppose Deputy Shane Ross over there is one.

Deputy Ruth Coppinger: The only reason they do not propose it, is they cannot-----

An Leas-Cheann Comhairle: Members, Deputy Coppinger has the floor.

Deputy John Lyons: There is the leader of the Independents.

(Interruptions).

Deputy Ruth Coppinger: It is hilarious that some of the Deputies opposite are in the Chair on many an occasion but they do not afford the rest of us any respect.

Deputy Patrick O'Donovan: You might be in the Chair yourself sometime, Deputy.

Deputy Ruth Coppinger: Will the Minister clarify when the last plebiscite in Ireland was? Or did he just come up with this idea of late?

Deputy Alan Kelly: No.

Deputy Ruth Coppinger: It is very obvious that the troika has twisted the Government's arm for the past six years-----

Deputy Alan Kelly: I have only been here for the past three and a half years.

Deputy Ruth Coppinger: It could easily twist the arm of another Government. That would mean a plebiscite would be gone out the window. A constitutional referendum would be the best safeguard but the Government has set its heart and face against conceding one. That is what most of the people want. It is another mistake the Government is making. However, I am confident that in April there will be mass non-payment of these water bills and the Minister and the Government, along with the water charges, will be consigned to history.

Deputy Joan Collins: Like other Members on this side of the House have mentioned, this amendment arose because of the pressure we put on in the Chamber last week with regard to the use of "may" and "shall" which exposed what the Minister had originally put down but defended, like a dog with a bone, until now.

Water is a human right. One cannot live without water for a very short time. One can survive without gas, electricity-----

Deputy Derek Keating: One cannot survive without food.

Deputy Joan Collins: It would be difficult but one could survive without gas or electricity. The principle is that water is a human right.

Deputy Derek Keating: One cannot survive without food but one must pay for that.

Deputy Joan Collins: We are paying for it. This idea peddled that we have not paid for it is wrong because we have paid for it for decades through motor tax and VAT.

Deputy Derek Keating: If Deputy Joan Collins had her way, she would pay for nothing.

Deputy Joan Collins: Excuse me, Deputy, I have always paid my taxes. I worked in the post office and I have no problem paying my taxes.

Deputy Paudie Coffey: Then she should pay her water tax.

Deputy Derek Keating: The Deputy is out on the streets telling people not to pay for their water.

Deputy Joan Collins: We should start with the premise that water is a human right. Then one must ask how does one protect that. Vulture capitalists and multinationals see water as the new oil. As a nation, we need to examine how we put in the strongest protections to keep our water services in the public domain. The only way we can do that - a point known by the many thousands on the streets - is through a constitutional referendum to keep our water services in the public realm. We know legislation can be changed down the line, say in ten or 15 years while these multinationals sit waiting to come in. We also know the TTIP, transatlantic trade and investment partnership, a secret programme the details of which we do not know much about as it has yet to be teased out in Europe, will set up a machine to allow multinationals to put pressure on national governments to relinquish their public services.

With this in mind, the most secure way the Dáil as a so-called Parliament can secure our water as a public utility is to have a constitutional referendum on its ownership. The proposal in this amendment will not protect it. It can be changed maybe not in five or ten years but in 15 years. The Detroit water brigade who attended the recent demonstration informed us that water in Detroit is supplied through a public water utility. However, due to service level agreements, the same company turns off water supply and knocks down houses because they are deemed not fit for purpose as they have no water supply. That company is making money on that. Members should learn from history. They should look around the world and see what is happening in every other city and country. The only measure that will protect the people's public water system is a constitutional referendum on its ownership.

Deputy Michael Fitzmaurice: I know the Minister does not intend to privatise Irish Water in this Government's term. However, down through the years Governments have made mistakes. Who knows what a Government could do 20 years from now? No Government can bind its successors. While a plebiscite might be a step in the right direction, it will not stand up if scrutinised properly and a new Government decides to privatise the utility. There is no point in saying that it will stand up to scrutiny as a new Government will be free to decide what it wants to do. The Government has come this far and the people in the back rooms should listen

because I feel the Government should go the extra step and provide for a referendum. Between pipes and infrastructure, some €15 million to €20 million worth of pipes and water infrastructure is in the ground at the moment and, for the sake of the country, we should not throw this away in future. This is not a blame game but we should do this right through a referendum.

Deputy Róisín Shortall: When I saw this amendment I felt it was a matter of window dressing because, in spite of many comments from this side of the House over the course of the debate on this legislation and arguments for putting this matter to the people at an early stage, the Minister set his face against nailing the issue down early by way of referendum. Now, at the 11th hour of this debate, the Minister has come up with this amendment. This has clearly been produced today and presented to us because of the real possibility that the Seanad will reject this legislation due to the fear of privatisation.

Deputy Alan Kelly: No, I acknowledged the other night that I would be tabling this amendment.

Deputy Róisín Shortall: If this legislation is rejected by the Seanad it will cause significant difficulties for the Government and necessitate another sitting day in this House during Christmas week. The sentiment of the amendment may be fine but the fact is that it is entirely aspirational.

One cannot tie the hands of any Government, be it this Government or a future Government, through an amendment like this. At the heart of the debate on this legislation to date is a serious concern about the fact that the funding model simply does not add up. So many changes have been made to the proposal to make it more politically palatable that the basic economic calculations have not been done and there is no indication that anyone has run a slide rule over this to see whether it makes sense. We had great difficulty last week drawing the Minister on the figures he was using and he still has not produced these.

Deputy Martin tried to press the Taoiseach this morning on the issue of the calculations behind all this and he made the point we still have no figures so things do not add up. There is a real concern that this issue will blow up in the Government's face in the not too distant future. Deputy Martin pressed the Taoiseach on the need for independent oversight and regulation of these measures to ensure it all amounts to a viable proposition.

Deputy Paudie Coffey: The CER has done that.

Deputy Róisín Shortall: The Taoiseach replied that an independent assessment has been carried out by the CER "into all these matters". I was not aware that the CER had performed an independent assessment since the Minister announced his new proposals on 19 November and I checked the CER website this afternoon but found nothing on the new proposals. Perhaps the Minister has done some work on this in the past two or three weeks but, if that is the case, he should refer us to it. There is nothing recent on the CER website, nothing relating to the proposals of 19 November, though there are references to various studies carried out by the commission on earlier proposals. We are debating the proposals of 19 November today because we say, on the basis of those proposals, these measures do not add up. Where is the independent oversight of this financing model and where are the studies to support it? I am not aware of any such oversight or studies, though I would like to think they exist. Perhaps the Minister could clarify this point.

People have said they do not believe this Minister and other Ministers intend to privatise

Irish Water and I accept that the Minister has not set out with that intention. However, on the basis of these proposals and given the shakiness of the financial model that has been constructed, it seems highly likely that, at some point towards the end of next year or early in 2016, Irish Water will become insolvent. In that event there will be a crisis because Irish Water will have insufficient revenue and will fail the market corporation test. The Minister has been pressed on his plan B in the event that Irish Water should fail this test because if that were to happen all of the costs associated with the project would go back on the balance sheet - in other words, there would be a crisis. In such a crisis situation, the Government would be under great pressure to privatise Irish Water and this is my concern. I accept that the Minister may have no intention to privatise Irish Water at this stage but, given the shakiness of the proposed financial model and the absence of robust oversight, it is inevitable that the entity will fall apart, necessitating emergency legislation. All that is required to amend this section is the passing of amending legislation in this House and the Seanad, using the same large Government majority that has been used to ram through everything else over the past three and a half years.

It beggars belief that a full, independent assessment of the new proposals has not been carried out but a member of the public did much work on this over the weekend on the basis of figures provided last week. Many people have seen the calculations of this individual and he has done a fairly thorough analysis of the Irish Water figures. Taking everything into consideration and using the figures provided by both Ministers over the course of this debate, this individual has concluded that the total net revenue available for investment by Irish Water is €63.7 million, after costs and grants are taken into consideration. That figure is the maximum that will be available to Irish Water.

Deputy Emmet Stagg: I thought we were dealing with an amendment here.

Deputy Róisín Shortall: The figures provided by this person look reliable. I am happy to give the Minister my copy and if he can dispute the calculations, I would welcome his response. It seems that the figures stand up.

Deputy Paudie Coffey: The Deputy would rather take figures off the street than use those provided by the CER.

Deputy Róisín Shortall: In the absence of any recent CER assessment one must say that the figures provided by the Government simply will not stack up. The figure of €63.7 million represents the maximum that is likely to be raised in revenue if there is 100% compliance and not even the Minister believes there will be 100% compliance. Let us imagine there is a 25% non-compliance rate. A non-compliance figure of 25% is rather conservative. In that scenario, Irish Water would take in less than €30 million. A 35% non-compliance rate - again, a credible possibility - would bring the total down to less than €16 million. What if it got to the point at which there was a non-compliance rate of 46%? That is possible given the sentiment that has been expressed. Under the charging system that the Minister has proposed, this issue will not come to a crunch from the point of view of payment until 2016. If there is a non-compliance rate of a little over 46%, then Irish Water will be in the red, making a loss of approximately €400,000.

A member of the public did this detailed work over the weekend on the basis of the figures released. I will pass the document over to the Minister now. I gather other Members have it already.

An Leas-Cheann Comhairle: You are moving away from the amendment. We are discussing the amendment on the plebiscite.

Deputy Róisín Shortall: It seems to me to be credible. If it is not, then let the Minister provide evidence to that effect.

This is why we are saying that, irrespective of what the Government claims as its intention now, when we examine the detailed costings and the analyses that have been carried out, it is clear that this will not work and that in these circumstances this so-called saver will be worthless. All it will take is some amending legislation to get rid of it. It is not possible to bind someone's hands in the future in that way.

If the Minister was serious about this and if he had confidence in the model he is proposing, all he had to do was agree at the Cabinet meeting yesterday to hold a referendum at the same time agreement was reached on two other referendums to be held next May. If the Government was serious about providing the assurance to people and addressing the real concerns expressed by the public about the inevitable prospect that the company will end up being privatised, then surely the Cabinet would have agreed yesterday to a third referendum in May. Will the Minister explain to us why the Government cannot do this? Usually, the excuse for not having a referendum is that the Government does not wish to go to the expense, but the Government has already committed to two referendums in May. Why not hold a third? The absence of any commitment to do that can only lead a person to the conclusion that the Government is not serious about this and that it does not make sense.

Deputy Thomas P. Broughan: Fine Gael said “No”, but the Minister is staying there.

Deputy Róisín Shortall: It is clear that the Taoiseach misled the House on the Order of Business today. He said a full independent assessment of all these matters was carried out by the Commission for Energy Regulation. I cannot see that. It would seem that the Taoiseach has misled the House. Can the Minister clarify the matter for us tonight? If it is the case, I hope the Taoiseach will correct the record tomorrow.

An Leas-Cheann Comhairle: Many people are asking questions of the Minister. There are nine more speakers, so I appeal to people to be brief. I realise people can speak for longer, but not if you want to hear the Minister. Deputy Ryan, you have the floor.

Deputy Brendan Ryan: By way of clarification, I intended to make a contribution on the amendment. Do I have the same latitude-----

(Interruptions).

Deputy Patrick O'Donovan: Deputy Ryan would be the first tonight.

Deputy Michael McCarthy: Deputy Ryan can make a Second Stage speech.

An Leas-Cheann Comhairle: Please speak on the amendment. We are on amendment No. 3.

Deputy Brendan Ryan: Do I have the same latitude as others to diverge from it?

Concerns have been expressed by people on the possible privatisation of Irish Water. I have had concerns and people I have met out and about and at my clinics have expressed concerns.

My party colleagues have expressed concerns. We have sought to have those concerns addressed. One way of addressing those concerns - perhaps the obvious way - would have been to have a referendum. Anyway, the Minister has brought creative proposals before the House to deal with the matter in a different way. His proposals are sound and I believe they achieve the objective he has set as well as what we have asked him to do. I compliment the Minister on his response to suggestions from the Opposition in respect of the concerns they had about his original proposal. I am confident about the future of Irish Water.

I wish to touch briefly on the matter of the right to water and water as a human right. This is often discussed in the context of United Nations Development Programme. The UN has developed several aspects to the concept of water as a human right. One element is that water should be sufficient and continuous. We are going to see this element of the right delivered. Another element is that it should be safe. Under the legislation to set up Irish Water, one of the key objectives is to ensure we have safe water. The setting up of Irish Water will address the issues relating to boil water notices throughout the country. Another element of the right to water is that it should be acceptable in terms of colour, odour and taste. A key objective of Irish Water will be to deliver on that aspect of the right to water. The fourth of five aspects of the right to water is that it should be physically accessible in respect of proximity to houses, buildings or whatever. This aspect of the right to water is being delivered too in the context of the setting up of Irish Water. I thank the Leas-Cheann Comhairle for his forbearance. The final element of the right to water to which the United Nations has specifically referred is that it should be affordable. According to the United Nations, the test of affordability is that its cost should be less than 3% of household income. In the context of this element and the other elements of the right to water, this legislation passes the affordability test.

Deputy Stephen S. Donnelly: I mentioned on Committee Stage that there are clearly powerful forces at work that would like Irish Water privatised. Maybe there is not one Member of this House who would like that, but, clearly, there are people who would like Irish Water privatised.

Deputy Emmet Stagg: Is Deputy Donnelly one of them?

Deputy Stephen S. Donnelly: Deputy Stagg asks if I am one of them.

Deputy Emmet Stagg: He looks like one of them and sounds like one of them. I imagine he would privatise everything else as well.

Deputy Stephen S. Donnelly: My thanks to Deputy Stagg for his personalised and unprofessional comments. In respect of Deputy Stagg's question of whether I would like to privatise Irish Water, I refer him to amendment No. 2, tabled in my name, which seeks a referendum to maintain public ownership of Irish Water.

Deputy Emmet Stagg: We have seen that all right.

Deputy Stephen S. Donnelly: I think what we will find is that Deputy Stagg is on the side of the House-----

(Interruptions).

Deputy Stephen S. Donnelly: Deputy Stagg is voting to avoid a referendum. I am tabling legislation to hold a referendum. Clearly, one of us is more interested in privatising Irish Water

than the other.

Deputy Emmet Stagg: We will see if Deputy Donnelly wins.

Deputy Stephen S. Donnelly: Let the record show Deputy Stagg's vote versus my vote, as well as Deputy Stagg's pre-election promises and how they stack up now.

It is clear that there are people who want to privatise Irish Water. It is relevant that in the letter from the European Central Bank to the late Brian Lenihan, structural reforms were insisted on as a condition of continued ECB assistance to the Irish banking sector. Four weeks later, the memorandum of understanding was signed and it contained only two structural reforms. One was an insistence that the people would be charged for water. Clearly, there are powerful forces at work that would like this.

Let us take it on faith that the Minister absolutely does not want to Irish Water to be privatised. Let us take that as a given.

Deputy Alan Kelly: Deputy Donnelly can take that.

Deputy Stephen S. Donnelly: There are two ways we can do that. We can pass legislation insisting on a plebiscite or we can pass legislation that puts it to the people for a referendum. The Minister's preferred mechanism for ensuring Irish Water is never privatised is a plebiscite. My preferred mechanism is a constitutional amendment. Let us assume the Minister and I are both trying to achieve the same thing. There is a gaping flaw in the Minister's approach that a future Government can change the legislation which does not insist on a plebiscite being held. Therefore, a referendum should be held because such a measure cannot be changed by a future Government. The suggestion is, "Trust us," but it is not even a case of trusting the Government but of trusting future Governments. However, the people do not trust it and none of us should. If we have unanimous agreement in the House which may or may not be the case that Irish Water should never be privatised, why choose a mechanism that can be bypassed by the Government over one that cannot be bypassed by it? The more people appreciate the Government's position, the more compelling the argument becomes to provide for the holding of a referendum. I asked the Minister on Committee Stage, but he did not have an opportunity to answer. If the aim of both a referendum and a plebiscite is to try to have a vote of the people before any privatisation takes place, what is the advantage in having a plebiscite over a referendum?

Deputy Richard Boyd Barrett: The argument being brought forward by the Government side does not stack up. What it has not stated is if, as Deputy Stephen S. Donnelly has articulated very well, it wants to prevent a future privatisation of Irish Water, it will hold a referendum. There is nothing to lose. It would copperfasten it and keep everybody happy and we would all be singing from the same hymn sheet, at least on that issue. Why does the Minister not do this? The obvious reason is he wants a get-out clause.

Deputy Alan Kelly: That is rubbish.

Deputy Richard Boyd Barrett: It is most likely that Fine Gael wants it, but the Government wants a get-out clause and there is a good reason.

I come at the issue from a slightly different point of view from many of the other contributors in that I do not believe a majority in the Government parties want to prevent the privatisation of Irish Water; worse than that, I believe the Government knows that, with the introduction

of water charges, privatisation is absolutely inevitable. The Minister knows that is true and privately, if we were not discussing this issue openly in public, he would admit it. He would say, "Of course, it is going to be privatised," just like everything else was privatised once charges were introduced. Once on the slope towards user charges, privatisation inevitably follows. The evidence I will provide in favour of this argument is what is happening in the here and now. I pointed to this in the experiences of the people from Detroit.

The Government is privatising Irish Water now, which is why it does not want to hold a referendum on the issue. The introduction of charges is the beginning of the privatisation process. Off-balance sheet financing is, *de facto*, privatisation. It is not nominal but effective privatisation, which is precisely what our friends from Detroit explained to us. Detroit Water is nominally in the ownership of the city of Detroit, but, in reality, as they explained in detail, off-balance sheet financing means that it effectively has been privatised because the people from whom it borrows money to undertake the infrastructural work - the private financiers - actually call the shots. They decide the level of charges, the priorities of Detroit Water in terms of where investment is made, the bonuses for those who really make the decisions and exert pressure to have cut-offs and so on. That is what happens. Once the private financiers come in, they will decide.

Is this scaremongering? I say we know about this from our national economic experience in the past five years. The bondholders call the shots and have been calling them in the economy for the past six years, but the Minister is trying to tell us that it will be totally different in the case of Irish Water. He must think we are idiots. That is what has been happening; the bondholders have been dictating everything and the more the Government becomes dependent on them to finance whatever Irish Water does, the more they will control the situation. When this is added to the incredible holes in the finances of Irish Water which we discussed at length last week and which will be the subject of subsequent amendments, it completely proves the point. If Irish Water will only generate what could be as little as €16 million net a year for the Exchequer or perhaps up to €60 million - let us say it is even €60 million - that means that it will take 15 years to pay back the initial set-up costs. Where will Irish Water get the money to undertake all of the infrastructural work?

An Leas-Cheann Comhairle: This amendment deals with a plebiscite on ownership.

Deputy Richard Boyd Barrett: I am making the point that the Government states the amendment offers us a guarantee against privatisation, but it does not. In fact, everything else about Irish Water guarantees that it will start to be privatised from the moment charges are made in April 2015 or whatever date is proposed by the Minister. As soon as Irish Water starts to borrow money on the financial markets to undertake the infrastructural work, the privatisation process starts. In fact, in terms of the installation of meters and the €175 million paid to private consultants, it has already started. Which bit of Irish Water will be public? The private consultants - KPMG and IBM - are doing everything, as are Denis O'Brien and GMC Sierra. We are going to get the money from private financiers, but nominally Irish Water will be publicly owned. That is rubbish and the experience in Detroit shows that it is. Everywhere else where a company is nominally in public ownership but in reality all of the finance is coming from the private sector, there are user charges and all of the work is outsourced to private contractors, *de facto*, there has been privatisation. That is why the Government does not want to hold a referendum because if one were to be held, we would have to seriously discuss the exact wording in terms of how it would insulate our national resource of water against being owned and controlled by persons other than the people. It could act as a block and a serious impediment

to the *de facto* privatisation that has already started. That is why the Minister does not want to hold a referendum.

This point is directed not only at Members in this Chamber but also at Senators who will be making the decision because the aim of the amendment is to try to get the Bill over the line with the Senators whom the Minister is not sure will vote the Bill through. I hope, therefore, that they are listening to the arguments being made in this House. I ask those Senators who have said their big concern is that the Bill does not protect Irish Water from privatisation to look at the experience in Detroit and they will then know that the Bill in its entirety is the prelude to privatisation which is guaranteed, inevitable and inexorable. That is why I hope they will oppose it and force the Government back onto the back foot on the issue. Ultimately, the issue will be decided on the streets. The next year will decide whether Irish Water, the charges regime and the privatisation agenda live or die. I hope they will die at the hands of the people on the streets, as they have done in the past few weeks.

Deputy Patrick O'Donovan: One of the concerns raised with me about the concept of holding a plebiscite or a constitutional referendum is how it would affect rural people. I note with surprise the contributions of Deputies Denis Naughten and Michael Fitzmaurice, as well as other Opposition Deputies from rural constituencies such as Deputy Stephen S. Donnelly whose constituency is substantially rural. They did not mention people with private wells or members of group water schemes whose water is frequently derived from aquifers. This is where the proposal to insert a provision in the Constitution falls asunder. What wording is to be inserted? Would the Constitution refer to the collection, distribution and pumping of water, pipelines, pumps, manhole covers, meters and the men who read them? Our experience of changing the Constitution, particularly in the 1980s, was not a positive one and we are still living with the consequences of some of the changes made as a result of poorly thought-out constitutional referendums that did not achieve their objectives.

The proposal to tinker with the Constitution worries me. I am surprised by some of those who are in favour of doing so because they generally make well thought-out contributions on policy, although some of them, for reasons of their own, do not participate in the committees to which they have been appointed.

Inserting a provision on Irish Water in the Constitution would effectively nationalise the wells and septic tanks of people living in rural areas. Charges have been made against the Minister concerning the implications of recent changes for the asset base and balance sheet of Irish Water. Perhaps the proposer of the amendment, Deputy Donnelly, will enlighten the House about the cost of nationalising every well and septic tank. This is what his proposal amounts to or perhaps he wants to introduce some form of urban-rural apartheid. I hope that is not what he is seeking as it would not play well in east County Carlow and west County Wicklow where many people are members of group water schemes.

People living in rural areas have been treated as second class citizens for long enough. They had to provide their own water, which some people consider to be a human right, by making a private investment. They did so because no one else was willing to provide it for them. Those who have suddenly taken a great interest in the public water supply do not have any interest in farmers, people who live on the sides of mountains and even some of those who live on the edges of towns where the 50 kph speed limit still applies. Some towns in my constituency do not have public sewers. The role of Irish Water is not confined to the provision of drinking water but extends to public sewers.

How would the referendum tie up with Sinn Féin's position in Northern Ireland on the disposal of sewage from septic tanks? Northern Ireland Water charges £152 to desludge a septic tank. This charge, which is in effect and was not delayed, applies to people in counties Fermanagh and Tyrone and so forth when their septic tank backs up. I remember some Opposition Deputies predicted that other legislation would result in bills of €20,000 or €30,000 to have a septic tank inspected. Septic tanks can be registered for €5. How does Sinn Féin's proposal to insert a provision on Irish Water in the Constitution marry with the approach taken by the Government North of the Border where people are charged €152 to desludge a septic tank? The urban-rural divide and apartheid that certain members of the Opposition from County Wicklow are promoting also seems to apply in the North.

On the constitutional requirement, another important public service, the national broadcaster, charges people €160 per annum to avail of its broadcasting services. I hope Deputy Donnelly will not propose to insert a provision on RTE in the Constitution. Imagine if we had to remove a reference to Joe Duffy from the Constitution or insert an article in the Constitution on Marian Finucane.

Deputy Richard Boyd Barrett: Access to RTE is not a human right.

Deputy Alan Kelly: That is debatable.

Deputy Patrick O'Donovan: This is an important issue because RTE is a public service that is fundamental to our democracy. While it is vital that it is kept at arm's length from the Government, it is not the subject of an article in the Constitution.

An Leas-Cheann Comhairle: The Deputy is straying a little from the amendment.

Deputy Patrick O'Donovan: I note the Chair gave plenty of latitude to three Opposition Deputies who voted for the programme for Government and had no difficulty with this element of it when it was proposed. One of them even took up a position as Minister of State.

Deputy Róisín Shortall: This is not what was proposed in the programme for Government.

Deputy Derek Keating: It is.

An Leas-Cheann Comhairle: I do not get everything right. However, many Deputies wish to speak to the amendment.

Deputy Patrick O'Donovan: I appreciate that but I have waited patiently to speak for more than an hour.

I am surprised and disappointed by Deputy Donnelly's approach to this debate. He has omitted from his argument the fundamental issue of the Irish people in whom he obviously does not have any trust.

Deputy Stephen S. Donnelly: I am suggesting a referendum.

Deputy Patrick O'Donovan: The role of Deputies is to serve the people and it is the people who will determine the hue of the next Government. Deputy Donnelly may very well be a member of the next Government and if he is, good luck to him. I can imagine what he and his new ally, Deputy Boyd Barrett, would come up with in government. It is lovely to see there are no policy differences between them. If they are in government after the next election, it would

be nice to know that they trust the people who elected them.

Deputy Stephen S. Donnelly: I trust voters but not the Government.

An Leas-Cheann Comhairle: Deputy O'Donovan has the floor.

Deputy Patrick O'Donovan: Given that he could well be part of a Government, he should at least trust himself.

This amendment would prevent a repeat of what Fianna Fáil did with Eircom, Aer Lingus and a couple of other semi-State companies they are conveniently trying to forget about. I do not recall a constitutional referendum being held on depriving people in rural areas of a broadband service for generations or on Aer Lingus withdrawing its services at Shannon Airport.

Deputy Richard Boyd Barrett: It is a pity we did not have referendums on those decisions.

Deputy Patrick O'Donovan: The Deputy may have won that argument if he had been knocking around at the time.

I note Deputy Fitzmaurice has left the Chamber. The amendment would insert in the Constitution references to aquifers, rivers, septic tanks, hosepipes in backyards and companies in my constituency which draw water from the ground and bottle and sell it to consumers.

Deputy Stephen S. Donnelly: The Deputy should read the amendment.

Deputy Patrick O'Donovan: It does not define what should be placed under national control.

Deputy Stephen S. Donnelly: That is nonsense. It is in the amendment.

Deputy Patrick O'Donovan: Is it rain, rivers, aquifers and pipes?

Deputy Stephen S. Donnelly: Come off it, Deputy.

Deputy Patrick O'Donovan: While Deputy Donnelly clearly has a problem with people who live in the country and provide their own water or pay for group water schemes-----

Deputy Richard Boyd Barrett: Divide and rule.

Deputy Thomas P. Broughan: Deputy O'Donovan has a problem with people in urban areas. Does he realise how much property tax they pay?

Deputy Stephen S. Donnelly: He came late to the debate and has clearly not read the amendment.

An Leas-Cheann Comhairle: Order, please.

Deputy Patrick O'Donovan: I cannot understand the reason the Deputies opposite are so anti-rural and want to treat rural dwellers differently. Since the foundation of the State, successive Governments have treated people in rural areas as second-class citizens. This is the first time ever-----

Deputy Seamus Healy: The Deputy has-----

Deputy Patrick O'Donovan: I am surprised at Deputy Healy as he comes from a rural constituency. I hope he will encourage everyone in south Tipperary with a well to avail of the €100 grant.

8 o'clock

He is already printing the leaflets. This is a clumsy attempt by the Opposition to try to gain some sort of kudos with the public in regard to one element they may have had a genuine concern about. I accept that. The Minister has gone further than any previous Minister in regard to any public service, utility, semi-State company or anything provided by the State by way of a service. When Deputy Naughten was in the House, he acknowledged that and was the only Opposition Member to do so. The Technical Group, Sinn Féin and Fianna Fáil want to have the apartheid of urban and rural continue. People, because of their addresses, will be treated differently, and that is bad.

A previous speaker referred to things blowing up in our faces. The Constitution is an important document of the State which has served us very well since 1937, by and large, and should be treated as such. The clumsy proposals, by way of amendments, would do a lot of damage to the Constitution because they would set a precedent. Where would that end? What would Deputy Donnelly want to see next in the Constitution? Would he like to see the ESB in it? I know Fianna Fáil opposed the foundation of the ESB.

Deputy Thomas P. Broughan: Your party sold off Bord Gáis Éireann.

Deputy Patrick O'Donovan: Would he like to see other elements of the public service in the Constitution? Would he like to include schools in the Constitution? What schools would be included and excluded? Would he like to give preferential treatment to certain schools because they are fee-paying or are of a certain denomination?

An Leas-Cheann Comhairle: In fairness Deputy, that is not in the Bill.

Deputy Patrick O'Donovan: What the Minister is doing meets the legitimate concerns of people who have worries about the possible privatisation of Irish Water. Throughout the past week of debate and since the issue has been resurrected, the Opposition has failed to have any element of trust in the electorate. It continually mentions what a future Government may or may not do. It may very well be in government. The cheap seats over there-----

Deputy Joan Collins: The cheap seats?

Deputy Patrick O'Donovan: -----where Members have to continually knock everything will soon be vacated. The day may come when Deputies Donnelly, Healy and Boyd Barrett might have to cobble together a programme for Government. Deputy Donnelly, along with others, is considering forming a party or a group of Independents, or neoliberal hawks, as someone referred to them. I was beginning to think a hen harrier was lurking around Leinster House. He may decide that his political ideology would win out and try to sell off parts of Irish Water or get rid of the €100 grant for the rural people with whom he seems to have such a difficulty.

This amendment prevents that because the motion before the House would have to be clear and concise, and both Houses would have to be consulted and act responsibly. The banking inquiry started today-----

An Leas-Cheann Comhairle: Please, Deputy. Do not start another topic.

Deputy Patrick O'Donovan: I will finish on this point.

Deputy Ruth Coppinger: We are supposed to be discussing-----

An Leas-Cheann Comhairle: Many people wish to speak.

Deputy Patrick O'Donovan: I have listened to a lot of raiméis since I came here, nothing of which was to do with water. The banking inquiry commenced public hearings today on an element of the recent past in this country, where fundamental mistakes were made. There is an acknowledgement by the Minister, the Government and the Minister of State that the previous legislation on the establishment of Irish Water may not have been perfect, and this is the response.

Deputy Stanley referred to the domestic charges which are not currently being imposed in Northern Ireland. His party is in government there. I found a document he will be very interested in, namely, the Northern Ireland Water Scheme of Charges 2014 to 2015. It shows that the charge will be £1.689 for a variable water charge up to 1,000 litres. It makes it clear that there will be no water charges for 2014 or 2015, but says nothing about the period after that.

Sinn Féin and certain elements of the Opposition have tried to con the people into thinking the situation in Northern Ireland is different, but it is not. There is no written constitution in Northern Ireland, therefore a provision regarding privatisation could not be included even if one wanted to do so. We have a written Constitution and it is dangerous to tinker with it and include things in it for the sake of it. Deputy Stanley can dismiss this all he likes, but his party is in government and the document to which I referred came from parties in government in Northern Ireland.

Deputy Brian Stanley: We hope to have a constitution. We hope you will back it.

Deputy Patrick O'Donovan: It is very clear that charges are on the way. The charge for desludging septic tanks-----

Deputy Brian Stanley: You have not spoken to the SDLP Minister; you did not even know there was one.

Deputy Patrick O'Donovan: Deputy Mattie McGrath has a particular interest in this because he talks about it constantly. I cannot see him cobbling together a Government with Sinn Féin. The charge for desludging septic tanks will be £152 in Northern Ireland. Sinn Féin talks about privatisation of a utility in Ireland. Someone who talks out of both sides of his or her mouth at the same time is, in anybody's language, a hypocrite.

Deputy Aengus Ó Snodaigh: You are talking out of both sides of your arse.

Deputy Patrick O'Donovan: The Minister's amendment is well thought-out, comprehensive and deals with people's concerns. The Opposition does not like the fact that the Minister has dealt with the issue. It has decided to approach the Constitution in a clumsy manner. Some people call this "a so-called Parliament". The Opposition would dilute the powers of the Constitution and erode what it is supposed to be about, namely, protecting the citizens and fundamentals of democracy. It is not supposed to usurp the role of the Parliament or the Executive. That is why the amendment proposed by the Minister is good and why I will support it.

Deputy Willie Penrose: I understand and appreciate everyone's views and genuine con-

cerns. I have never engaged in a campaign of deprecation or adversely commented on anybody's sincerely held views and opinions. I acknowledge that there are genuine concerns about privatisation. Coming from the background that I do, I am stridently opposed to any attempt to privatise this utility, in particular. Some people may have forgotten, but I played a significant role in ensuring that Coillte remained in public ownership. Everybody has conveniently forgotten about that, but we fought a very strong campaign. It was part of the troika's programme and we succeeded in ensuring it did not happen.

Deputies: Hear, hear.

Deputy Willie Penrose: Let us be clear about a few things. I have listened very carefully to people who have come from very posh brigades who said all sorts of things and represented their views. I come from a background of genuine poverty. I am not ashamed to admit that I come from a lower socioeconomic background. My late father was a county council worker. In 1961 we were very glad to get a council house. I recall very clearly that he was only paid every fortnight and worked five and a half days a week. He cycled 14 and 15 miles on a bicycle to and from work. Deputy Donnelly may sneer. I did not arrive into college in a lovely car.

Deputy Seamus Healy: We were the same.

Deputy Willie Penrose: I am telling Deputy Healy my background; I am not interested in his.

Deputy Stephen S. Donnelly: That is unnecessary. You have no idea of my background.

Deputy Willie Penrose: He is sniggering at me.

An Leas-Cheann Comhairle: Address the Chair please, Deputy.

Deputy Willie Penrose: When we got the house we had to pay rent, which was normal, and twice a year we had to pay moiety rates. Deputy Halligan will remember the rates on county council houses. We did not have any money and had to make do. Every year my late mother had to rear turkeys or pigs to try to pay the rates. I acknowledge that I have the same background as Deputy Healy. In that context, we were extremely limited economically and financially, and did not have many resources, but we were raised always to pay the bills. I remember that before Santa would be looked after, the rates man would arrive for the second moiety in December and the turkey had to be paid for from the rates money. This was, by the way, for a rented council house. We did not own it, but we were glad that we had it. I came from that background. I am the eldest of ten children of a county council employee. The reason I mention this in the context of water provision - Deputy Seamus Healy will probably know this - is that we had a dry toilet, a toilet with no water.

Deputy Seamus Healy: That is right; we went to the well with a bucket.

Deputy Willie Penrose: Exactly. We travelled across the fields to a well and carried water to the house to meet our essential needs. I remember it spilling from the bucket into my wellingtons, which was awful. This went on for a number of years, until we hand-dug a channel to supply water for the village. We did it on a Good Friday and a Holy Saturday. It is for that reason I would hate to see what we have put in place privatised. That would be anathema to me. If I was part of a Dáil that was trying to privatise it, I would be the most disruptive person one could meet. We set up that system for ourselves. About seven or eight years ago we joined

a group scheme, for which approximately 40 households paid €950 each and there was no big row about paying for it as individuals. We were glad to pay it because we had learned the value of water in carrying it from the well across the fields. That is why the issue is so important for us. I look on it as a human right, but this human right was certainly circumscribed during the 1950s, 1960s, 1970s, 1980s and even into the 1990s, based on affordability.

I did not intend to raise this issue, but we had to put provisions in place for every drop of water brought to the house, which is why I see it as something of value and appreciate it. I understand and appreciate the reasons people are stretched because of the charges. I acknowledge the points made because coming from this background I understand that every new imposition is always very difficult to meet. We must ensure provisions are made to accommodate those in the supplementary welfare system who are in that position. For that reason, I support Members on all sides of the House who have made contributions in that regard. I acknowledge that their view is genuine and even if mine is different, it does not mean that theirs does not have equal validity.

On the issue of holding a plebiscite, I was only part of the Government for a short time, but I cannot imagine any Member allowing Irish Water to be privatised, particularly in the context of this debate. Some Deputies have made valuable and constructive contributions, and if they are in government, they will surely be the very ones who will say privatisation will only happen over their dead bodies. That is the way I would feel if I were in that position. Privatisation would not happen because I feel so strongly about water provision and know the value of water, having been in the position I described in my early years. I appreciate everything that has been done to provide it.

Many people have had to dig private wells, particularly in rural areas. It costs from €3,500 to €5,000 to bore a private well, depending on the depth one must go down to reach water. This is tough on people, even if they receive a grant. Each year the well owner must provide for filtration and treatment and a pump which must be replaced approximately every three or four years. The other day I met a person who was paying out €1,500 for a new pump. There are many hidden costs attached to living in rural Ireland. People in group water schemes are also paying out significant sums.

Many of the people I have met in rural areas are glad of the €100 grant and that their efforts are at last being recognised. They have not received anything up to now. Deputy Barry Cowen lives in a rural area and I know well that when he visits Clara and the surrounding area, he will discover this €100 will mean a lot. Significant work has been done in these areas in which I am sure he has been involved, as has his brother. This sum of €100 is recognition that they have taken positive action during the years in digging wells and being members of group schemes.

I share the concerns of colleagues across the House who have made points in this regard and the amendment has been moved to allay the profound and deep concerns expressed by them. This is not to diminish their comments because their points have been well made. The amendment deals with the issue such that the make-up of any future Parliament will ensure privatisation will not happen or that it cannot happen. Clearly, we will see a plethora of manifestos etc. in the next 12 months or so, but woe betide any Government that will act to change this. People will put their trust in Deputies who will represent and reflect their viewpoint here in the context of the make-up of the next Government.

I understand some Members want to go further than the amendment and provide for a full

constitutional amendment. However, the amendment is reasonably good and is as far as the Minister will go in this context. The use of the word “shall” makes the proposal an imperative and whoever wants to change the legislation will have to try to bring forward new legislation which I cannot see being successful in the context of the contributions made. I know that the Labour Party will not countenance the privatisation of the water supply under any circumstance. I certainly would not be part of a Labour Party that would privatise water services, but there is no fear of that happening.

The reason I have outlined my background is that I know how important is access to water. I acknowledge that many colleagues come from a similar background. This will guarantee Irish Water will not be privatised. The Minister must be commended for taking on board the genuine concerns expressed. I listened to the debates on the issue in which people expressed their views strongly. Their views have been acknowledged and taken on board and from those debates has come a positive and progressive proposal.

An Leas-Cheann Comhairle: I call Deputy Aengus Ó Snodaigh. Before he begins, I remind him that there are eight more speakers - the Minister of State, Deputy Paudie Coffey, and Deputies Joanna Tuffy, Catherine Murphy, Joe Higgins, Michael McNamara, Michael McCarthy, Joe O'Reilly and Seamus Healy. I, therefore, ask him to be as brief as he can be.

Deputy Aengus Ó Snodaigh: I will be as brief as possible, but I wish to refer to the major implications of the amendment. First, however, I congratulate the Minister on rallying his troops to talk down the clock because in so doing he will avoid the thorny issue of the missing 300,000 households. Everybody has the right to speak to the amendment, for which I do not criticise them, but I am critical of the fact that this debate is to be guillotined, as was the debate on the legislation which set up Irish Water, which did not allow us to fully debate the issues involved. Once again-----

Deputy Emmet Stagg: There was 40 hours of debate.

Deputy Barry Cowen: It should be remembered that on Committee Stage we had just 45 minutes to discuss each section.

(Interruptions).

An Leas-Cheann Comhairle: Please allow Deputy Aengus Ó Snodaigh to continue.

Deputy Aengus Ó Snodaigh: Deputy Emmet Stagg might like to contribute to the debate, rather than snipe from the Government side of the House. He has the same right as everybody else to do so.

What is being proposed in the amendment is illogical. When is a referendum not a referendum? The answer is when it is a plebiscite. There is nothing in the Constitution to give effect to a plebiscite. There is no mention of a plebiscite. What the Minister has cobbled together is dangerous in many ways. The amendment refers to “the People” but they are not defined. Does “people” mean everybody who lives on the island, every citizen or every household bar the 300,000 that have gone missing somewhere and that may be in his back pocket? It is important when drafting legislation to make sure it is clear. If it was clear, it would refer to the people as the electorate as intended under Articles 46 and 47 of the Constitution, which provide for referendums. It is logical to hold a referendum rather than play around with a concept that does not exist under the Constitution.

The amendment provides that if a Government plans to privatise, it will line up all its ducks in a row and then go to the people. Deputy Donnelly proposes a referendum in order that the Constitution can prevent a Government from doing so. This would be pre-emptive and would mean no future Government could contemplate going down that road.

We have seen the way the Labour Party has examined in government how to sell off natural resources. Bord Gáis has been privatised and the Government intended to privatise Coillte, both of which came under the remit of a Labour Party Minister - the same Minister who said something along the lines of "Election promises - what the hell?" stating, "Isn't that what you tend to do during an election?". How much faith would anyone have in promises from that quarter?

It is important that the amendment be withdrawn and that the Minister provide for a referendum. Why is he afraid of a referendum? On 6 or 7 May 2015, the Government will hold several referendums, which I welcome. Why not put on another one at the same time to prevent Irish Water from being sold into private hands? It is a simple proposition. Why is the Minister afraid of this? There will be no additional cost if several referendums go ahead on the same day. However, the Minister is trying to ensure that a future Government can produce something that is not legally binding and can be overturned without a plebiscite, because the legislation could be amended prior to that. A Bill could be introduced in six months to repeal that section, because there is nothing in it to prevent the Government or a future Government from repealing it, but that could not be done easily if the Constitution prevented it. It is a simple proposition, and the logic of what is proposed is that if the Minister believes the people should be consulted, the way to do so is through a referendum as provided for in Articles 46 and 47 of the Constitution.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Paudie Coffey): This has been an interesting debate. We all agree that major investment is needed in water, which is a national resource, but we disagree on how we should deliver that investment. The Government has made it clear how it will do so by establishing a national utility called Irish Water. We are not reinventing the wheel. Back in the 1990s, a national utility, the ESB, had paper records in various regions with *ad hoc* maintenance plans and a utility system that was breaking down. The company undertook a huge modernisation programme. First, it established an asset management system, which recorded every asset in its infrastructure on computers, and this was all brought together under one management system. Maintenance records were then brought under this system before the company set about attracting outside investment to upgrade the network. This was the national network programme for the electricity distribution system. Almost €7 billion in investment was attracted, which the State did not have to provide.

Deputy Richard Boyd Barrett: The customers paid for it.

Deputy Paudie Coffey: The Government is not reinventing the wheel. Neither the Deputy nor any Member has called for a referendum on whether the ESB should be privatised. I have never heard him praise how the company performed, but we are all proud of the work it has done. We are trying to emulate a system that works rather than adopt the Deputy's proposal, which is to increase investment in water services infrastructure, although he will not tell us where the investment will come from. He wants to impose taxes on working people-----

Deputy Richard Boyd Barrett: On corporations.

Deputy Paudie Coffey: -----or he wants to take the money from other departmental budgets, whether that is health, education or social protection, which the Government is working to protect. There are options, and the Government has come up with a workable solution that has worked previously. That is what the debate should be about. Whether it is this Government or a future Government, future generations will not thank any of us if we do not act now to secure the future of the valuable resource that is Irish Water.

I welcome the amendment that has been tabled by the Minister to reassure people who have doubts about the Government's intentions in respect of public ownership of this valuable infrastructure. The Government has gone to great lengths to reassure people that it is not the intention to privatise the water network. If we were so determined to privatise, why have we not privatised the ESB's network, which is much more valuable? We resisted that when pressure was applied due to the economic challenge with which the Government was presented when the troika was in town. The Government resisted all attempts to privatise the national electricity network. The proof is in the pudding.

Deputy Richard Boyd Barrett: Future Governments can do so.

Deputy Paudie Coffey: The Government is determined to develop a national water infrastructure of which we can be proud, and I fully support everything being done in that regard.

I would like to correct the record regarding statements made by the Sinn Féin representative. Earlier in the debate, Deputy Stanley named Mr. Alex Attwood as the Northern Ireland environment Minister. He resigned his position on 16 July 2013 and Mr. Mark Durkan took over.

Deputy Brian Stanley: It is the SDLP.

Deputy Paudie Coffey: The Deputy had the wrong man. I thought he would have been on top of this and what is happening in Northern Ireland, but obviously he is not.

I am galled by the hypocrisy of Sinn Féin in respect of water services. A total of 35,000 water meters have been installed in the Six Counties, which represents a significant investment, yet Sinn Féin Members criticise the Government in this House for undertaking a metering programme to conserve water and to find leaks. Reference was made by a number of speakers to the cost of water and how the State compares to other jurisdictions. According to the UK's energy regulator, the average notional cost of providing water and sewerage services to each domestic household in Northern Ireland was £412 in 2013-14. Although the Northern Ireland Executive has delayed the introduction of water charges, its 2011 to 2015 budget states:

[I]n Northern Ireland [water] services are currently primarily funded from public expenditure. This creates pressure in other areas ... for example, [funds for] health and education, need to be diverted to cover the associated water services costs.

There is the proof in the pudding that we have a clear choice. We either take the funding out of vital health and education services, as is being done in Northern Ireland, or we come up with a vehicle that can attract and leverage funding off-balance-sheet, as the ESB has done for many years to develop its network.

We can do the same again with water networks. It has been made clear by the Minister and the Government that we are not privatising it and I welcome this amendment.

Deputy Joanna Tuffy: I join with others in welcoming amendment No. 3 from the Min-

ister. As has been pointed out by Deputy Penrose, the amendment changes the word “may” to “shall” and makes clear that it obliges and that it is a legal imperative. This was raised with me over the weekend by a member of the public. I will now be able to go back to that person and tell them that the wording has been changed and, hopefully, this will reassure them. It was the only issue they raised with me.

My point is that there are diverse viewpoints among the public. One would not think it from the way the Opposition goes on. There are many different viewpoints on this issue. I note that Sinn Féin has also tabled an amendment to change the word from “may” to “shall” so I take it that it also welcomes the Minister’s amendment. Sinn Féin has no proposal regarding an amendment relating to a constitutional referendum, as Deputy Donnelly did. There is no proposal.

Deputy Brian Stanley: We did that.

Deputy Joanna Tuffy: Well there is no proposal in front of me.

Deputy Brian Stanley: It was brought into this House three weeks ago. You voted against it. Remember that?

Deputy Joanna Tuffy: Right now, Sinn Féin should surely welcome amendment No. 3 because it is in line with its own proposal here tonight.

There is a mistake in Deputy Donnelly’s amendment, which was ruled out of order, that would make it unworkable. It says that the Government shall no more than three months after the passing of this Act introduce a constitutional amendment Bill seeking to amend the Constitution. It then says that the amendment of the Constitution effected by the Act shall be called the thirty-fourth amendment of the Constitution but quite clearly, the Act would not amend the Constitution and the amendment proposed by Deputy Donnelly contains a mistake. It shows the problems one faces when one tries to come up with an amendment to the Constitution. There is a mistake in what is proposed before us tonight and we would be very foolish to pass it.

In respect of the views of the public on this, I would be very concerned if we proposed to have a constitutional referendum. I am not the only one. Other members of the public who are not in here, who have no vested interest and who are very attached to State assets have expressed the same concern I hold. My concern is that if one was to amend the Constitution to enshrine Irish Water in public ownership, this would then set the bar too high for State assets generally. The implication would then be that any other asset that is not in the Constitution is not protected in the same way as Irish Water and there would basically be a hierarchy of State assets.

I do not think anyone here campaigned about a constitutional referendum relating to Irish Water in the general election. That being said, the majority of voters-----

Deputy Richard Boyd Barrett: Public ownership of natural resources.

Deputy Joanna Tuffy: The majority of voters in the general election of 2011 voted for parties that stated it was their policy to bring in Irish Water, water metering and water charges. That is basically Fine Gael-----

Deputy John Halligan: It was not in your manifesto.

Deputy Joanna Tuffy: The majority of voters voted for Fine Gael, Fianna Fáil and the Greens, all of whom stated that they were going to establish a single water utility, water metering and water charges. Neither the People Before Profit Alliance nor the Socialist Party - nobody up there on the Opposition benches - campaigned during that election for a referendum on Irish Water. What they did campaign on was the contention that we should not privatise the ESB, Coillte or other State assets yet they would put them lower down and diminish them in terms of their protection as State assets by proposing to amend the Constitution. I very much support the Minister's approach and I welcome the fact that Sinn Féin does also.

Deputy Catherine Murphy: The reason we are here with this amended legislation is because of the events of 11 October 2014 when 100,000 people took to the streets. In making these changes, the issues were identified. One of those issues was the fact that people had very real concerns about the prospect of Irish Water or water services being privatised. I wish we were not here talking about this tonight. I think the real problem is Irish Water and that there is no confidence and trust in Irish Water. Why should there be when one looks at the litany of issues that have happened from this day last year when the legislation was rammed through?

I think we know the difference between a referendum and a plebiscite. A plebiscite is a vote of the electorate to accept or reject a proposal whereas if one puts something in the Constitution, one cannot enact legislation that is repugnant to it so it must be consistent. The Attorney General would not stamp the legislation. It would not get on to the floor of the House and we know that. There is a big difference between a plebiscite and a referendum. A referendum, if passed, is a guarantee that legislation cannot be brought in that is inconsistent with the Constitution. Essentially, this is giving the impression that there is a certainty about non-privatisation. It does not give anything like the same sense of certainty that a referendum would give.

If we had a crystal ball ten years ago, would any of us have predicted what happened in the years that have intervened in terms of the economic crash and the kind of pressure that was put on to look at the assets that might be sold to get us out of the difficulties in which we found ourselves? I do not have a crystal ball and I do not think anyone else here has one. Who is to say that this will not happen again? This is why one needs to have certainty about the assets of the State and this is why we need a referendum as opposed to a plebiscite because it gives that certainty.

There was a lot of talk about the ESB, more or less saying that there is a similarity between the ESB and Irish Water. The ESB did not start off with €11 billion worth of assets and very few financial liabilities. It did not start off being packaged in a way that made it an attractive proposition to privatise. Why would people not have concerns about that? I must question where Irish Water is going to get all this money to invest in the infrastructure when it is very clear that the net amount that will be available will be very small.

I very much regret that a particular issue was raised in this debate, which is the issue of trying to divide urban from rural. We have all paid regardless of whether one is on a group water scheme or a mains system. People have mainly paid through development contributions and in recent years, some of those would have been up to €15,000, €16,000, €17,000 or €18,000 per house. If one quantifies that as a mortgage over the lifetime of a mortgage, people would be paying €30,000 or €40,000 in development contributions. We have all paid so let us try not to divide and conquer on this particular issue and say that rural people have always paid and urban people have not. We have all paid for the development of a system that accrued something in the region of €11 billion worth of assets.

People are not stupid. They know the difference between a plebiscite and a referendum. They know when something is a fig leaf and that is exactly what this is. None of us knows who will be in government in five or ten years time. We are writing legislation that is supposed to stand the test of time but when we can identify a flaw in it and if we believe water services should remain in public ownership, it is incumbent on us to act. Given that Labour Party Members say they want to keep Irish Water in public ownership, I would have expected them to be first out of the traps in demanding a referendum rather than a plebiscite. However, if they did not proceed with Irish Water we would not need to discuss this issue. That is the fundamental flaw.

Deputy Joe Higgins: It is a grotesque abuse of parliamentary procedure for a Government to put a guillotine on a debate, only for Government Deputies to be deliberately piled into the Chamber to take up a significant portion, if not the bulk, of the time allocated.

Deputy Emmet Stagg: All Deputies are entitled to speak.

Deputy Joe Higgins: That is a cynical abuse of parliamentary procedure.

Deputy Paudie Coffey: What happened during the week?

An Ceann Comhairle: Please speak to the amendment. We are on amendment No. 3.

Deputy Paudie Coffey: It is called democracy.

Deputy Ruth Coppinger: I ask the Ceann Comhairle to tell the Ministers to stop barracking speakers.

An Ceann Comhairle: Thank you Deputy.

Deputy Ruth Coppinger: They have been doing it continually.

Deputy Robert Dowds: Perhaps they were elected to break the law.

Deputy Ruth Coppinger: Apparently they are here to listen.

Deputy Joe Higgins: It would of course be welcome if Government Deputies had participated fully in the debate. For example, if they had joined us last week when we were here at midnight without a guillotine, that would have been welcome. In the context of a guillotine, however, it is cynicism in the extreme.

In regard to the proposal to legislate for a plebiscite before any water services are privatised, it was edifying, even moving, to see Fine Gael Deputies come into the Chamber girded in the cloth of champions of opposition to privatisation.

Deputy Bernard J. Durkan: We are.

Deputy Joe Higgins: They are champions for public ownership of our resources and our services. It is unfortunate that we cannot believe their bona fides.

Deputy Bernard J. Durkan: I hope the Deputy is not suggesting that we are all telling lies.

Deputy Joe Higgins: The reason this issue has become so important is because people, from bitter experience, do not trust the political establishment. It is incredible to hear a Labour Party Deputy blithely absolve herself and others of any blame for breaking her party's election

promises on the grounds that Fine Gael's policies were different during the course of the election. Suddenly, the massively expensive Tesco-style advertisements which promised to protect the ordinary hard-pressed people from all of the hurts Fine Gael would inflict were gone. Is it any wonder that people do not take as gospel the promise that the parties opposite will never participate in any move to privatise Irish Water? The reality is that people's fears are justified in regard to privatisation. In respect of another public service, domestic refuse collection, people have seen Fine Gael, Fianna Fáil and the Labour Party privatise on a local level-----

Deputy Emmet Stagg: That is because Deputy Higgins stopped them from paying bin charges.

Deputy Joe Higgins: -----the domestic collection services.

An Ceann Comhairle: Speak to the amendment.

Deputy Emmet Stagg: He did not stop them paying in the private sector.

Deputy Richard Boyd Barrett: Why did privatisation happen first in the countryside, where there was no campaign?

An Ceann Comhairle: I remind the House this debate is concluding at 9 p.m. and four Deputies wish to speak after Deputy Higgins.

Deputy Joe Higgins: They have deliberately prevented us from getting to later amendments.

Deputy Emmet Stagg: They are as entitled to speak as Deputy Higgins.

An Ceann Comhairle: Please get on with it.

Deputy Joe Higgins: My comments are very relevant to the issue of privatisation, which is the subject of the amendment. Senior Ministers have come into this House and blamed the privatisation of refuse services on the campaign by the people of Dublin in 2003 against a new refuse tax, ignoring the truth that the vast majority of local authorities, while dominated by the parties opposite, had already privatised refuse collection services by the time they were being reintroduced in Dublin. Let us hope we never hear that false story again.

Deputy Emmet Stagg: You scuttled the public service.

An Ceann Comhairle: Please allow the Deputy to speak.

Deputy Joe Higgins: The reason this amendment is not what it purports to be is because it can be removed by a future Government or Dáil, depending on the complexion of the majority, through a simple vote on legislation. The absolute guarantee against privatisation is not making a market commodity of this crucial resource called water. Do not parcel it up so that it can then become a focus of pressure from European multinationals and the European bureaucracy for privatisation as a commodified resource. Abolishing water charges is the protection against privatisation. The Minister of State, Deputy Coffey, made certain accusations against us. Based on 2012 figures, an increase of 0.2% in the corporation tax rate would bring in far more money than water charges next year, not to mention the financial transaction tax and other options.

In December 1996, the current Minister for Public Expenditure and Reform, Deputy Howlin, who was then the Minister for the Environment in a Labour Party-Fine Gael Government,

had the good sense to announce to the country, following a movement of people power, that water charges would be abolished. Rural water schemes gained tremendously from a campaign that was waged mainly in Dublin in advance of that abolition. Lobby groups were, quite rightly, formed to demand resources for group water schemes and they managed to get substantial extra resources for these schemes-----

An Ceann Comhairle: That is all very interesting but I ask the Deputy to stick to the amendment.

Deputy Paudie Coffey: It is a history lesson.

Deputy Joe Higgins: -----on the back of the campaign against water charges. I was a champion of that. Abolish water charges now. It will happen anyway. The question is whether it will be sooner or later. The longer it takes to abolish water charges, the greater the body count of Labour Party candidates. If they want to avoid a water massacre, they should abolish charges now instead of waiting for the people to force them to do so.

Deputy Ann Phelan: At least we will have done the right thing.

Deputy Joe O'Reilly: With amendment No. 3, the Minister has responded adequately to the question of privatisation. Privatisation cannot happen without a decision of the two Houses of the Oireachtas followed by a plebiscite of the people. That is watertight beyond measure. The Opposition Deputies did not vote against this earlier today. There was no official vote against this amendment from any part of the Opposition when it was put to the House. The constitutional prohibition proposed by Deputy Donnelly and others would prove difficult due to group schemes and private wells. It would end up as a legal quagmire due to rights of ownership and so forth. It is not easy constitutional law, it would not work in practice and it would be open to many legal challenges. That is the difficulty with it. The Minister's response in the amendment is adequate. It deals with the issue and allays public fear. In fact, just as he has allayed public concern on this issue, he has also allayed public concern about cost. It will cost a little over €1 per week for an individual and a little over €3 per week for a multi-person family or home to have a water supply.

I am delighted with the conservation grants. I challenge the Opposition to state its position on them. Many of its Members are opposed to them, but the grants give recognition to people who have their own wells and to the group schemes. How would the Opposition proceed? Is it happy to keep the *status quo* of the boil water notices, the miles of lead and old piping and the sewage going into waterways, with the health and safety issues that go with it?

We are not charging for water. Water is a free resource that falls from the sky in Ireland. The cost arises in the delivery and treatment of water. It is a misnomer to say we are talking about water charges. There is no question of water charges; it is a question of charges for treatment to get pure, clean water and the delivery of that water. The Opposition must state whether it wants the *status quo* or whether it supports change to support tourism, inward investment and the health of our nation. If it supports that change, how does it propose to fund it? Will it be through direct taxation and increasing the tax on the narrow base of people who pay much of the tax in this country, when this offers a broadening of the tax base? Would the Opposition diminish services to pay for it? It is impossible that money will fall from the sky by some magic process to do it, so the question the Opposition must address is whether it would cut services-----

Deputy Richard Boyd Barrett: Tax the corporations.

Deputy Joe O'Reilly: -----increase direct taxation or accept this reasonable proposition from the Government.

Deputy Richard Boyd Barrett: Tax the corporations.

Deputy Joe O'Reilly: That is the question Deputy Boyd Barrett and others must answer. How would they fund change, or do they accept the *status quo*?

I congratulate the Minister, Deputy Alan Kelly, the Minister of State, Deputy Coffey, and the Government for tackling an unacceptable situation. We cannot continue with the current situation where we have a broken down pipe system, with 200-year-old pipes in some instances, sewage effluent being released into freshwater and the boil water notices. We must have the courage of our convictions, lead from the front and deal with it. Then the question of how to fund that arises. Does one do it by indirect taxation, as the Opposition appears to imply, or by reducing other services? We say there should be a modest, reasonable and acceptable charge.

Today, we addressed the privatisation question. I will conclude, in deference to the Ceann Comhairle's wishes to proceed with the debate. The House and the people of the country should be satisfied following the amendment put forward today, which was not officially opposed in a vote by the Opposition. It will require the two Houses of the Oireachtas in unison with a plebiscite of the voting population of our country to change the situation and privatise Irish Water. Nothing could be more copperfastened than that. It is time we removed the nonsense from this debate and accept that we must fund this and proceed with it. My challenge to the Opposition is to tell the people precisely how it would fund it.

Deputy Richard Boyd Barrett: Tax the corporations.

Deputy Michael McNamara: I am happy to support the Minister's amendment with regard to the constitutional amendment. It provides a considerable guarantee. I suggested earlier that the original Water Services Bill was a legislative measure that would most facilitate privatisation and that no legislation was required to alienate the shares. I wish to correct that. That was the case with the original Bill passed by the House but a second Bill was introduced which provided for the requirement of legislation. The Minister is now introducing a further copperfastening of that, whereby a referendum would be required before that legislation would be enacted. The legislation that provided for the legislative requirement to privatise was introduced this time last year. The provision was in the last section of the Water Services (No. 2) Bill which passed all Stages in this House in one afternoon. It was guillotined. It was the most ignominious legislative measure that was ever passed by the House and the section, which I was not aware of up to now, never saw the light of day in the House. That is not how legislation should be passed.

I commend the Minister for the fact that a great deal more time has been allocated to this legislation, even though a guillotine is being applied. There has been considerable filibustering and that has not been confined to the Opposition benches. Deputies on the Government benches have tried to talk down the clock tonight. I will not do that. However, I will make two points. I am happy to support the Minister's approach to this and the fact that there is a constitutional amendment. I would have preferred to see Irish Water under the auspices of a consumer co-operative rather than Ervia. Nevertheless, it is under Ervia and there were reasons for that.

Second, conflict of interest provisions were introduced in respect of the board of Bord Gáis in legislation in 2013 to ensure that a member of the board could not be involved in another gas

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or electricity provision company. There is a lacuna in this legislation whereby somebody can be on the board of Irish Water and be involved in an alternative or competitor water services company. I tabled an amendment in that regard but due to the guillotine it will not be reached. I hope the Minister will undertake to examine that in the Seanad.

Deputy Seamus Healy: I am disappointed that Deputy O'Donovan has left. He obviously arrived to put on his comedy act and to follow it with a disappearing act.

The public is absolutely opposed to the privatisation of water and it wants absolute certainty about that. A plebiscite does not give that certainty. The only thing that will provide such certainty is a constitutional amendment, and that is what the public wants. Why is that? The public does not trust this Government. I do not trust this Government.

Deputy Alan Kelly: I do not trust the Deputy.

Deputy Seamus Healy: The public has good reason not to trust the Government. The Minister who is introducing this legislation told the people of north Tipperary during the last general election campaign that they should vote for him so he could stop Fine Gael introducing water charges. In the Tesco advertisement issued by the Labour Party, one of the six things it named that would hurt the Irish people was a €238 water charge to be introduced by Fine Gael. In addition, the Minister for Public Expenditure and Reform told everybody a number of years ago that he was absolutely opposed to water charges.

Finally, the Minister for the Environment, Community and Local Government now tells us that we never had an exemption under the EU water framework directive, even though successive Governments and Ministers have told the Dáil that there was and is an exemption under that directive.

Deputy Paudie Coffey: How are we to meet the framework? What about the previous Government?

Deputy Seamus Healy: The Minister is about to give away the exemption we have under that framework. I ask the Minister to desist from that and stop these water charges, once and for all.

Deputy Alan Kelly: That is rubbish. It is incorrect.

Deputy Seamus Healy: It is correct.

Minister for Transport, Tourism and Sport (Deputy Paschal Donohoe): I was prompted to speak by the speech made by Deputy Higgins and the interventions of Deputy Boyd Barrett. Every time a question is asked about how money can be found, the answer is always the same from those Members of the Opposition.

Deputy Richard Boyd Barrett: Tax the corporations.

Deputy Paschal Donohoe: It is always that we should tax the corporations. Regardless of what question is posed, the answer is always the same-----

Deputy Seamus Healy: Tax the super rich.

Deputy Paschal Donohoe: We are told to tax corporations, introduce a wealth tax and tax the super rich. Of course, the corporations to which the Deputies refer are the corporations that

employ 246,000 people in this country.

Deputy Ruth Coppinger: They do not.

Deputy Paschal Donohoe: The people I stand here to represent are the people who work for those companies. They are people who go to those companies to earn a living with the skills they have acquired and contribute to our economy.

9 o'clock

Deputy Thomas P. Broughan: We expect them to pay their corporation taxes like Irish companies.

Deputy Paschal Donohoe: The people in those companies pay their contributions through their taxes.

Deputy Thomas P. Broughan: We will have the Road Traffic Bill 2014 tomorrow and an apology from this Minister.

Deputy Paschal Donohoe: The Opposition's proposed increase in corporation tax would be an increased taxation of every person and family in our country.

Deputy Thomas P. Broughan: He will have to apologise to the House over his own portfolio.

Deputy Paschal Donohoe: This is what the repeated answers from the Opposition Deputies mean.

Deputy Thomas P. Broughan: We have a date with destiny tomorrow. He made a mess of it.

Deputy Paschal Donohoe: They are in favour of higher taxation-----

Deputy Joe Higgins: Tax wealth and property, yes.

Deputy Paschal Donohoe: -----not for the few but for everybody, for the ordinary people. It has been said again and again, and even the Opposition has admitted it, that no party seeks to privatise Irish Water.

Deputy Richard Boyd Barrett: I never said that.

Deputy Paschal Donohoe: The Opposition's refrain is, "What could future Governments do?" Is that how little confidence the Opposition Members have-----

Deputy Joe Higgins: In the Government, yes.

Deputy Bernard J. Durkan: In themselves.

Deputy Paschal Donohoe: -----in the ability of their arguments and claims to win public support?

Deputy Brian Stanley: People change when they get into government.

Deputy Paschal Donohoe: The Opposition is admitting it has so little confidence in the

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claims it is putting forward that they will not be able to win seats and parties to influence future Dáileanna and Governments. The Government's track record is very clear. When we were on our knees, we did not privatise or sell stakes.

Deputy Thomas P. Broughan: Bord Gáis.

Deputy Paschal Donohoe: This is our track record.

Deputy Bernard J. Durkan: Hear, hear.

Deputy Alan Kelly: Hear, hear.

An Ceann Comhairle: The time permitted for the debate having expired, I am required to put the following question in accordance with an order of the Dáil of 16 December: "That the amendment set down by the Minister for the Environment, Community and Local Government and not disposed of are hereby made to the Bill, Fourth Stage is hereby completed and the Bill is hereby passed." Is that agreed?

Question put:

<i>The Dáil divided: Tá, 81; Níl, 58.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Bannon, James.</i>	<i>Adams, Gerry.</i>
<i>Barry, Tom.</i>	<i>Boyd Barrett, Richard.</i>
<i>Breen, Pat.</i>	<i>Broughan, Thomas P.</i>
<i>Bruton, Richard.</i>	<i>Calleary, Dara.</i>
<i>Buttimer, Jerry.</i>	<i>Collins, Joan.</i>
<i>Byrne, Catherine.</i>	<i>Collins, Niall.</i>
<i>Carey, Joe.</i>	<i>Colreavy, Michael.</i>
<i>Coffey, Paudie.</i>	<i>Coppinger, Ruth.</i>
<i>Collins, Áine.</i>	<i>Cowen, Barry.</i>
<i>Conaghan, Michael.</i>	<i>Creighton, Lucinda.</i>
<i>Conlan, Seán.</i>	<i>Crowe, Seán.</i>
<i>Connaughton, Paul J.</i>	<i>Daly, Clare.</i>
<i>Conway, Ciara.</i>	<i>Doherty, Pearse.</i>
<i>Coonan, Noel.</i>	<i>Donnelly, Stephen S.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Ellis, Dessie.</i>
<i>Costello, Joe.</i>	<i>Ferris, Martin.</i>
<i>Coveney, Simon.</i>	<i>Fitzmaurice, Michael.</i>
<i>Creed, Michael.</i>	<i>Flanagan, Terence.</i>
<i>Deenihan, Jimmy.</i>	<i>Fleming, Sean.</i>
<i>Deering, Pat.</i>	<i>Fleming, Tom.</i>
<i>Doherty, Regina.</i>	<i>Grealish, Noel.</i>
<i>Donohoe, Paschal.</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>Farrell, Alan.</i>	<i>Keaveney, Colm.</i>
<i>Feighan, Frank.</i>	<i>Kelleher, Billy.</i>
<i>Fitzgerald, Frances.</i>	<i>Kitt, Michael P.</i>
<i>Fitzpatrick, Peter.</i>	<i>Lowry, Michael.</i>
<i>Gilmore, Eamon.</i>	<i>Mac Lochlainn, Pádraig.</i>
<i>Griffin, Brendan.</i>	<i>McConalogue, Charlie.</i>
<i>Hannigan, Dominic.</i>	<i>McDonald, Mary Lou.</i>
<i>Harrington, Noel.</i>	<i>McGrath, Finian.</i>
<i>Hayes, Tom.</i>	<i>McGrath, Mattie.</i>
<i>Heydon, Martin.</i>	<i>McGrath, Michael.</i>
<i>Howlin, Brendan.</i>	<i>McGuinness, John.</i>
<i>Humphreys, Kevin.</i>	<i>McLellan, Sandra.</i>
<i>Keating, Derek.</i>	<i>Martin, Micheál.</i>
<i>Kehoe, Paul.</i>	<i>Mathews, Peter.</i>
<i>Kelly, Alan.</i>	<i>Moynihan, Michael.</i>
<i>Kenny, Seán.</i>	<i>Murphy, Catherine.</i>
<i>Kyne, Seán.</i>	<i>Murphy, Paul.</i>
<i>Lawlor, Anthony.</i>	<i>Naughten, Denis.</i>
<i>Lynch, Ciarán.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Lynch, Kathleen.</i>	<i>Ó Cuív, Éamon.</i>
<i>Lyons, John.</i>	<i>Ó Fearghail, Seán.</i>
<i>McCarthy, Michael.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>McEntee, Helen.</i>	<i>O'Brien, Jonathan.</i>
<i>McFadden, Gabrielle.</i>	<i>O'Dea, Willie.</i>
<i>McGinley, Dinny.</i>	<i>O'Sullivan, Maureen.</i>
<i>McHugh, Joe.</i>	<i>Pringle, Thomas.</i>
<i>Maloney, Eamonn.</i>	<i>Shortall, Róisín.</i>
<i>Mitchell, Olivia.</i>	<i>Smith, Brendan.</i>
<i>Mitchell O'Connor, Mary.</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>Wallace, Mick.</i>
<i>Neville, Dan.</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>Reilly, James.</i>	
<i>Ring, Michael.</i>	
<i>Ryan, Brendan.</i>	
<i>Spring, Arthur.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Tuffy, Joanna.</i>	
<i>Twomey, Liam.</i>	
<i>Varadkar, Leo.</i>	
<i>Wall, Jack.</i>	
<i>Walsh, Brian.</i>	

Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Seán Ó Feargháil and Aengus Ó Snodaigh.

Question declared carried.

An Ceann Comhairle: The Bill will now be sent to the Seanad.

An Bille um an gCeathrú Leasú is Tríocha ar an mBunreacht (An Ceart chun Féinriarachta Pearsanta agus Sláine Colainne) 2014: An Dara Céim (Atógáil) [Comhaltáí Príobháideacha]

Thirty-fourth Amendment of the Constitution (Right to Personal Autonomy and Bodily Integrity) 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.”

An Ceann Comhairle: Will Members please clear the Chamber as we now are on Private Members’ business? Deputy McDonald has ten minutes.

Deputy Mary Lou McDonald: I welcome the opportunity that Deputy Clare Daly’s Bill has provided to Members to discuss the remaining constitutional barriers to the equal rights of women in this State. Given that equality before the law is generally protected at Article 40.1, that the equal right of women to citizenship is protected at Article 9.1.3°, and the equal right to vote and to stand for election is expressly protected at Article 16.1, it is something of a contradiction that the 1937 Constitution continues to treat women as second-class citizens by virtue of several other specific provisions and by the archaic gendered language of the Constitution as a whole. Nearly two years ago, a strong majority of the Constitutional Convention called for the amendment of the notorious and odious “women in the home clause” at Article 41.2. It also called for the insertion of an express gender equality clause into Article 40 and the introduction of gender-inclusive language throughout. The last Members heard, a working group due to report its findings in October was still prevaricating and Members continue to await a governmental commitment to a referendum. At this stage, I can see no good reason for such an excessive delay in deciding whether and how to amend a provision that has been so widely im-

pugned for decades. Article 40.3.3°, which is the subject of the eighth amendment that this Bill seeks to annul, is another provision that acts as a barrier to women's equality and, specifically, the equal right to bodily integrity currently afforded a degree of protection as an unenumerated right pursuant to *Ryan v. the Attorney General*.

Sinn Féin has a long-standing policy of support for the humanitarian extension of therapeutic abortion in cases of rape or incest, or where the pregnancy poses a risk to the life or mental health of the pregnant woman. As it stands, Article 40.3.3° does not permit the lawful provision of abortion in this State unless there is a risk to the life of the woman. In other words, pregnancy by rape or incest in and of itself is considered irrelevant. Sinn Féin, therefore, recognises that address of this situation would require constitutional change. We believe that the issue of amendment of Article 40.3.3° is one that should be considered by a second Constitutional Convention, which we have previously called on the Government to establish and empower to deliberate on a comprehensive range of necessary constitutional reforms. We are open to the suggestion that any legislative proposal put to the people should take the form of a pre-referendum and believe that a second Constitutional Convention should consider this option.

It is fair to say that there is among Sinn Féin members a diversity of opinion as to what form the amendment to Article 40.3.3° should take. I should advise the House that this matter is currently under consideration. Current Sinn Féin policy does not extend to the provision of therapeutic termination in cases of fatal foetal abnormality, risk to the health of the pregnant woman or as a matter of pure choice in the equal right to exercise of personal autonomy, the equal right to privacy and the equal right to health care. Modification of party policy on this issue is a matter for our membership to decide democratically, and this is also currently under active consideration. I am advised that Deputy Daly's well-intentioned proposal goes beyond the democratic mandate afforded me by virtue of my party's long-standing compromise position, clearly stated and well known to the electorate. I am, therefore, unable to support this legislation. I acknowledge Deputy Daly and thank her for bringing forth this Bill.

All of us are conscious of the fact that in matters surrounding the issue of abortion, strong feelings on either side of the argument can arise. In my view, we need to regard these matters with tolerance, compassion and a level of understanding of the complexities involved. As I said, Sinn Féin is not in a position to support this legislative proposal, but we do recognise that there is a need for change to protect women and to acknowledge their fundamental rights.

Deputy Ruth Coppinger: That is very backward. Welcome to the 21st century.

Deputy Eoghan Murphy: Two years ago on this date we were debating the report of the expert group on the judgments in the A, B and C case. I contributed to that debate at the time. Nothing I have to say now will differ from what I said then.

We can offer our own personal feelings on this issue. People's personal viewpoints are important. However, do I have a right to force my views on another person, be that as a legislator or not, and do I have the right to tell a woman what she must do with her body? Does the State have that right? I do not believe it does. The State has a responsibility to all our lives and it has a responsibility to the unborn life. I believe that the developing foetus is human life but I do not believe that the State's responsibility in this regard is superior or equal to the life of the mother or woman, or her mental health or health generally.

The State has a responsibility to provide for the lawful termination of pregnancy in certain

circumstances which are not permitted today. These circumstances require a change to the Constitution. They require a change to the eighth amendment or its removal from the Constitution. Current abortion laws are too restrictive, and we are failing our citizens as a result, in my opinion. I believe Deputy Daly is right to bring this issue to the House this evening. She is right to continue to raise it, because persistence in politics is key. We have seen this across so many issues recently in Irish political and public life. When change is needed one must keep pushing for it because it will not happen automatically, as we know. It takes courage to push against the *status quo* and to continue to raise this issue, as Deputy Daly has done.

This change will not happen tonight, but it will, I believe, happen soon. The Government does have a mandate to hold a referendum on this issue prior to the next election. We put people in positions of leadership to lead. However, it is worth considering whether it is in fact wise or best to hold a referendum when the atmosphere is so politically charged ahead of the forthcoming general election, because the type of debate we need and want and that will bring about the changes that are in the best interests of all of our citizens and meet the responsibilities of the State to all of our citizens may not be possible in such a charged climate.

I commend Deputy Daly on initiating this legislation and on the debate this evening.

Deputy Catherine Byrne: It is important that Deputy Daly had the opportunity to introduce the Bill this evening. On reading the opening statement by the Minister, Deputy Varadkar, on this Private Members' Bill, I was struck by his wisdom and sincerity as a Minister and a medical doctor. In that statement, the Minister said:

Medicine and the human condition are coloured in grey and cannot be reduced to binary or black and white arguments. We need to approach this issue with compassion rather than cold certainty.

He went on to say:

Let us prove to those who have become disillusioned with the extremes of both sides, even with politics, but know in their hearts what is right and just, that we can ... have a calm and measured debate and an exchange of views about what is right and wrong for women, the unborn, families and society.

Like many Members of this House, I attended the hearings on the Protection of Life During Pregnancy Bill. Like all who attended, I listened to the views and opinions of doctors, religious, political parties, agencies and members of the Judiciary. As a mother and woman who experienced pregnancy complications many times during my life, the hearings had a profound effect on me. The Protection of Life During Pregnancy Act was signed into law in July 2014 and commenced on 1 January 2014. The main purpose of the Act was to restate the general prohibition on abortion in Ireland while regulating access to lawful termination of pregnancy in accordance with the X case and the judgment of the European Court of Human Rights in the A, B and C v. Ireland case. The Act provides for existing rights within the constitutional provisions and the Supreme Court judgment in the X case and does not confer any new substantive rights to termination of pregnancy. The Act achieves this objective by providing a clear prohibition on abortion, to which the sole exception is a case in which there is a real and substantive risk to the life of the mother which can only be averted by termination of pregnancy. In this way, the Act upholds the right to life of the unborn and the right of life of a pregnant woman whose life is threatened by her pregnancy, as required by Article 40.3.3°.

The Minister will prepare and lay before the House of the Oireachtas an annual report on the terminations of pregnancies that have taken place in accordance with the Act. A report on the review process will be compiled by the Health Service Executive and submitted to the Minister. The first annual report is due at the end of June 2015. It will give us all an opportunity to see how the legislation has worked. As the Minister stated, this is not a decision that should be rushed by holding a referendum. I believe he is correct that we need a carefully considered and broad debate so that consensus can be reached.

I recall that during the hearings before the introduction of the Protection of Life During Pregnancy Bill, Mrs. Justice Catherine McGuinness spoke of how politicians take telephone calls, read e-mails and listen to groups which provide information for various reasons. She said that instead of doing that, we should listen to the people on the street. I have been listening to the person on the street for the past several months. Like many Members, I have heard the stories from young women who have faced the tragic news of learning that their baby will not survive outside of the womb and is dead but are asked to carry the pregnancy to the end of its term. This is the issue we must address in whatever referendum has to come about. It is not my time or my place in this Chamber to make decisions on this. It is the people who need to make this decision in a referendum.

I thank Deputy Clare Daly for bringing this Bill to the floor of the House this evening. Unfortunately, I cannot support it at this stage but, please God, in the future we may be able to come up with some proper legislation which will allow for consideration for those who need to deal with their pregnancy at whatever level that may be.

Deputy Olivia Mitchell: I am already on public record as stating I believe Article 43.3.3° should be deleted from the Constitution, despite the fact that in the past I canvassed vigorously and voted to keep it in the Constitution. Over the years, I have increasingly come to the conclusion that this issue, addressing the specific reproductive health care of women - a complex, emotive and crucial issue to women, on which views cross gender, age, religious and political divides - has no place in a written Constitution. As has been stated often, the Constitution should reflect the common aspirations of the people. The existing amendment - the eighth amendment - does not reflect our common aspirations but in fact our differences. I am old enough to remember that both sides voted for it because we both thought it meant different things. Over the years, our greatest legal minds have tried to interpret for us what it actually means. They did the best they could with what they were given, but in the end they could do little to serve the women faced with the tragic and intolerable choice between their own lives and health and the life of a foetus.

After previous Governments failed over 30 years, this Government had the courage to at least vindicate the right to life of women whose lives are threatened by their pregnancies. We do need, however, to go further, and I agree with the Minister for Health that the current regime is too restrictive. Over the years I have seen the health of too many women jeopardised - women whose health was so compromised by pregnancy that they risked blindness and other debilitating conditions, who were forced to go to England for terminations. Those who went to England were the lucky ones, who had the resourcefulness and resources to go. Many others did not.

In the case of fatal foetal abnormalities, it is absolutely barbaric to force someone, against their will, to carry to term a pregnancy when they know the outcome is a dead child.

There is no doubt that Article 43.3.3° should be out of our Constitution. However, that decision should be preceded by a rational, informed reflective debate about how we as a society want to respond to the needs of women whose health and future prospects are jeopardised by their pregnancy. A rational debate on a subject such as this cannot take place in the run-up to a general election. In our hearts we all know that, because we have been through it already. If this was forced to a vote in a referendum, we would be falling into exactly the same trap that gave us the seriously flawed eighth amendment, Article 43.3.3°, which is dangerous to many women. We need to debate this as far as possible from political considerations. Forcing parties or individuals into taking up electoral positions in a referendum 12 months or less before a general election is a folly that ultimately would not serve the people we hope to help. For the very good reason of bitter experience, I do not believe this is the time for a referendum, much as I would personally like to see it as soon as possible.

As for the second part of Deputy Clare Daly's Bill and the attempt to insert another constitutional clause, I do not believe we should put any measure dealing with this issue into the Constitution. It is also flawed because what it seeks to do is already provided for in the Constitution. The circumstances in which a termination of pregnancy might be considered should be a matter for legislation, not the Constitution. The whole area of reproductive health is evolving as medicine, science, technology also evolves. The Legislature must be able to respond to this constantly changing issue. We should not be afraid to do that. The public is ready for us to take a leadership position on this. Public opinion has moved on significantly in the 30 years since 1983 and is better informed, as we all are.

One may agree with the Minister that the current regime is too restrictive or one may not. It is possible for us as a society to reach a consensus about the kind of regime we want. The public is sensible and compassionate. I do feel, however, that in the run-up to a general election, politicians are neither. Neither can political debate be sensible and compassionate in the heat of a general election. To enter into a process to radically alter our Constitution on such a vital and sensitive issue would put a real solution another 30 years into the future. We need to move on this issue. Before we do so, however, we need to know where we are going with it and how we will do it. The last Government trying to tackle this issue was bounced into a flawed solution that had consequences for many women. It was a solution that persisted for 30 years. We should not do that again.

While I am not supporting this Bill, I compliment Deputy Clare Daly on keeping this issue on the agenda. It should be kept to the front of the agenda.

Deputy Jerry Buttimer: In welcoming this debate, I will begin by thanking Deputy Clare Daly for putting this Private Members' Bill before the House. It proposes to remove the eighth amendment to the Constitution and will create a new provision in it. If it is the will of the people, deleting Article 43.3.3° will remove the right to life of the mother whose life is threatened by her pregnancy and, equally, of the unborn child.

I believe this Private Members' Bill is necessary. It is important that we focus on the right to life of the mother and of the unborn child and it is equally important that we focus on the issue of abortion. The modern history of Ireland shows a polarised debate on this issue in the 1980s, 1990s and in the lifetime of this Dáil and I regret this fact. It would have been easy for many in this House to opt out of this debate and avoid speaking here but we must learn from the errors of the past in handling this sensitive and complex matter. We must bring clarity and certainty to everyone, especially mothers and medics.

Life is not black and white, this is not a simple matter and diverging views exist on the issue within all parties. Deputy McDonald referred to differing views in her party and the same applies in Fine Gael but we must try to have a tolerant and mature debate that reflects a society that also has differing viewpoints, particularly compared to the viewpoint that prevailed previously. Last night the Minister criticised the binary argument that arises on this complex issue. I am Chairman of the Joint Committee on Health and Children. Deputy Catherine Byrne is a member of the committee and I believe the debates in that committee, and the debate in this House over the past two nights, have shown tolerant and mature debate is possible.

The Minister was correct in saying last night that no law can eliminate all human tragedy from pregnancy. The people of Ireland have voted two or three times on this issue in my memory and I regret that in the 1980s politics played a role in the framing of the amendment that is now in our Constitution. Many learned scholars and citizens feel the amendment is flawed and has gone too far while some of those on the other side of the argument feel it did not go far enough and want it to be applied more restrictively.

I should point out that I spent five years in the seminary studying for the priesthood and this has shaped my viewpoint in some ways. I classify myself as a pro-life person but I recognise that pregnancy is about the mother and the unborn child. I was born 13 weeks prematurely in 1967 and weighed 2 lbs. The pregnancy could have gone horribly wrong, resulting in the loss of my life and my mother's life. Life is precious but the life of a mother is precious and important. Some people see women as vessels but this is a sad viewpoint and I believe we should see women as citizens and people. I appeal to those on one side of the argument to be moderate and respectful in their language and not to buy into a viewpoint based on an old-fashioned concept. The issues of fatal foetal abnormalities, rape and incest affect the lives of women and will not go away so we must face up to this at some stage.

In contributing to the debate on the Protection of Life During Pregnancy Act I outlined my reasons for supporting the legislation. Having chaired hearings for six days I recognised that the Act was about codifying and clarifying the existing constitutional position. Everyone in this Chamber appreciates the value of human life and knows it must be protected but we must try to get the balance right. This Government acted courageously on the X case but some Members felt this did not go far enough. We campaigned on the basis that we would establish a committee with access to medical and legal expertise to consider the implications of the A, B and C v. Ireland ruling and to make recommendations. When the Government took office it did just this as the programme for Government said it would draw on the appropriate medical and legal expertise to make a recommendation.

In the committee hearings Mr. Frank Callanan S.C. described the Bill as “conceptually conservative” and went on to say it proposed to “translate into legislation and give legislative effect to the decision of the Supreme Court in the X case without either widening the category in the X case of adding to the categories in the X case”. The Protection of Life During Pregnancy Act is the result of the Government fulfilling its political promise and mandate on this most sensitive of issues. However, 18 months later, here we are discussing the issue again. This summer the story of Ms Y emerged but this Parliament still does not know how the Act operates in practice. I believe we must give the legislation time as it provides for a report to be presented to the Minister and laid before the Oireachtas - this provision exists to ensure the Act functions as intended. Before we make further decisions we should wait for that report to be presented to the Houses.

Unlike Deputy Eoghan Murphy, I believe that the political reality is that this Government has gone as far as it can on this issue as it has no mandate to go further. A referendum is required to change the Constitution and I believe the Irish people will make a decision on this issue within the lifetime of the next Parliament. We cannot ignore the fact that 5,000 women, citizens of the country, travel abroad every year to terminate pregnancies. We cannot airbrush this fact and forget about it. I commend Deputy Daly on putting this Bill before the House but I cannot support it as I do not believe we have the political mandate to support such a change. Also, I believe the proposal before us is flawed and we must not repeat the mistakes of the past by introducing a vague and uncertain amendment through this Bill. We should beware of the law of unintended consequences but the Bill before us fails to do so as I believe it would walk us straight down the path to abortion on demand, a measure I cannot support.

If, after the next election, there is a political mandate to make further changes to Article 40.3.3° of the Constitution it should follow the model of the Constitutional Convention. I agree with Deputy McDonald's point, and I made the point on the radio this morning, that we should have a Constitutional Convention and a conversation of citizens to decide how best to act regarding our Constitution. It is not a question of bringing together the extremes in the debate but, rather, it is a matter of bringing together a group that reflects the broad spectrum of Irish society. We need the kind of group best able to consider this issue and the equal rights to life of the unborn child and the mother devoid of rancour, partisanship and adversarial viewpoints. This group could make a proposal for this House to consider before, in turn, putting it to the people in a referendum.

I honestly think the Irish people are ahead of the Members of this House in their views and reflect modern society better than we do. I thank Deputy Clare Daly for putting this Bill before the House. I think we should first allow the Protection of Life During Pregnancy Act to take shape; the House should consider a report on this before we make decisions. I hope the debates we have on this issue now and in future, in this House and in Irish society, will be mature, respectful and tolerant. We must not experience again the rancour of the past.

Deputy Bernard J. Durkan: I am loath to contribute to this debate as a mere male member of the population because I feel, as the old story goes, we have had this debate many times in the past and it is a very emotive and sensitive subject. It is a particularly sensitive subject for pregnant women and there are always many such women in our population at any given time, including during each of the debates on the issue in this House. As we debated the matter many women throughout the country were in the eye of the storm. They may have had difficulties during pregnancy or they may have started to ask themselves questions about their health, well-being and life after pregnancy. We tend to allow and encourage a discussion in every shape, way and form. However, the odd thing is that we seldom leave it to the woman herself to make her decision. It is ironic that in this country, after all these years of debate, at least half a dozen people have to be consulted on the subject before a decision is taken. I have my doubts about the validity of that.

We should bear in mind that if we were to have a debate on this issue at this moment it would be just as divisive as it has been in the past. Let us consider the emotive and charged debate we have had on the simple issue of water in recent weeks. Do we really believe we could have a rational debate on as sensitive, important and fundamental a subject as this?

I agree with what the Minister said last night. In fact, he is correct in his assessment. Ironically and unfortunately, not even medical opinion is unified on this issue. Some doctors are on

one side and some are on the other side of the debate. Some psychiatrists are on one side and some are on the other side. The ironic thing about all this debate is that no one ever seems to want to give way to the other point of view or accept any part of it.

I am not in favour of abortion. However, I have spoken many times in the past about the concerns of women who are victims of rape or incest or those faced with the prospect of a fatal foetal abnormality. It is an awful sentence for society to pass on these women in such a condition to suggest that they simply have to get on with it because that is the way we do things here. It is insensitive and barbaric that we should have to adopt that kind of approach, but where do we go?

In my time in this House we have had many debates, inside the House and outside, in terms of bringing the debate to the people. Until such time as we are capable of having a rational and calm debate on the subject, there is no sense in going forward again. That is my view and it is a view I have expressed previously in the House.

Not only does the issue divide this House, it divides society outside. Society was divided on the subject before we even started. I accept that we are an evolutionary State and that as time goes on opinions will change. However, to introduce the subject by way of a referendum at this time would not be wise. It would cause a review of all of the issues that we have had before. It would do nothing to address the issue in so far as women are concerned or address the concerns of women. It would simply solidify and strengthen the opposing forces again, given that they have already expressed their concerns, as I have already indicated.

I am unsure to what extent we can generate the need for this debate without adding to it and inflaming it in some way, but that is what we have to do. Until such time as we can get to a position in which we can talk to our constituents, those in the medical profession, other professionals and society in general in an unemotional and rational way on this subject, until we come to the stage at which we can at least recognise each other's positions and reach some kind of agreement, I believe it would be unfortunate to enter into the debate at this stage.

Perhaps I am a clear example of my own cowardice in this area, but the fact is I have been around this course many times before in the House on this particular issue. It is so saddening to see at odds those women who have a genuine concern, those who dismiss that and those who have a genuine concern about or who are opposed to the concept of abortion and who are concerned lest that become part and parcel of society at odds. I thank Deputy Clare Daly for bringing the Bill before the House, but that is my conclusion.

Acting Chairman (Deputy Marcella Corcoran Kennedy): Deputy John Halligan is next. I understand you are sharing with your colleagues in the Technical Group and that you have agreed to six minutes each.

Deputy John Halligan: I note with some concern and disbelief that over a two-day debate the Labour Party benches have been empty, with the exception of the Minister of State who is present. It is extraordinary given what those in the Labour Party have been saying at their conventions and Ard-Fheiseanna, particularly the female members of the Labour Party. I suppose I am not shocked, since the saying goes "If you can't stand the heat, get out of the kitchen." I suppose they were not going to support this so they simply could not be here.

I wanted to discuss statistics and so on, but then I asked myself whether I would refer to the 4,000 women who have gone out of the country to have abortions or the woman who travelled

to the United Kingdom two years ago for an abortion but died some hours later in the back of a taxi. A post mortem showed that she had died from a heart attack caused by extensive internal blood loss. I asked myself whether I would talk about the women who go on the Internet to buy pills which make them seriously ill, or those who become ill upon returning to Ireland after having procedures in England and Wales, only to find no service here. I asked myself whether I would refer to the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the Convention on the Elimination of All Forms of Discrimination against Women, all of which have been critical of the Government.

The Minister came to the House last night and said “I like to believe that I am a conviction politician, often definite and sometimes blunt...” That is fair enough. I am unsure whether that is the case because I do not know the man well. He also said that he was pro-life. I do not have a problem with that because some of my friends are pro-life.

Anyway, I wanted to cut through all of that and talk about a girl called Helen. One day some years ago, a girl called Helen came to the House for Leaders’ Questions. I will set out the story about Helen. Helen was physically, sexually and psychologically damaged some years ago. She was raped. That did terrible physical and psychological damage to her. She was also forcibly impregnated. I remember her telling me at the time that her greatest fear was not that she had broken her nose or had damaged her head or back but that she had been forcibly impregnated. This was what shocked her.

Helen went to the State for support. The initial support she got did not amount to much, because the perpetrator did not get what she deemed to be a proper sentence for destroying her life. I have no wish to pass comment on the sentence. Then, when she went to the State because she did not feel as though she could see through having the child, she was told that she could not have an abortion here and that she would have to go to England. This destroyed the woman’s life. As she was going to England, her husband became seriously ill. He was unable to travel with her and she had to bring a friend.

I listened earlier to people talking about this matter being complicated and saying that we need a rational and reflective debate on these issues. Do any of the male politicians in this House tonight have the balls to tell the truth and give a definite answer? If it was their wife, mother or daughter, would they attempt to disagree with or prohibit the woman in question from having an abortion? I do not think so. Why do they not have the guts to stand up and say that? Why use all the jargon about complications and rational debates and so on? The rational debate has already taken place among the people, 85% of whom say that if a woman is raped she should be able to have an abortion in Ireland. Furthermore, 89% of people have said that a woman carrying a fatal foetal abnormality should be able to have an abortion in Ireland.

Deputy Richard Boyd Barrett, Deputy Catherine Murphy and others met several women, all of whom were in the Visitors’ Gallery previously, who had to go to England with fatal foetal abnormalities. We met a woman named Marian, who had to bring the remains of her child back in a box in the back of a car. Yet, we are being told by the other side of the House that this could take ten or 20 years. In the meantime we farm out these women. I understand 462 women were raped this year, although I am unsure as I cannot recall what I was told today. One sixth of all these women will become impregnated and go to England. Are we saying now, in 2014, as competent politicians in a modern parliament in Europe, that we cannot deal with this issue for perhaps five, ten or 20 years?

10 o'clock

How offensive can that be to human beings? What kind of people are those opposite who say that these women will have to wait and that we cannot make a decision for them, or we will make a decision and say to these women, "When you are impregnated and when you are raped or if you feel that the specialists and consultants tell you that what will be born to you will be such a dismembered and broken foetus that it can have terrible psychological damage if you attempt to see this foetus" - which has happened to some women - "No, we cannot help you, go over to England or to Wales on a boat or on a plane"? It is horrendous. I never thought when I entered this Parliament that we would treat women so abominably in the year 2014. I am shocked, I am saddened, I am fed up with what I hear from people about human rights, about what we might do, about how sorry we are, about how guilty we are and about what we might do if circumstances were different. It is a case of cover it up, shovel it out, that there is an election and we cannot do it before the election. The people have spoken and said it. It is about time people stood up and said enough is enough. Can somebody not break ranks over there and say, "I am going to support this Bill for those women who have died and for those women who will have to go to England tomorrow or in the next few weeks; I will make a change and I will stand up for the civil rights of women"? I apologise for the delay, Chairman.

Deputy Catherine Murphy: I thank Deputy Clare Daly for bringing forward this Bill. I favour the repeal of the eighth amendment. I voted not to include it in the Constitution in 1983 and I know that the Minister of State, Deputy Kathleen Lynch, did exactly the same. In fact, the Labour Party was quite heroic at that time. It must be really disappointing for Labour Deputies not to be supporting this Bill. That must be very hard to take for the membership who have been very courageous. I wonder when is the right time for this amendment to be brought forward. We are told there is no mandate for it. Will it be included in the Fine Gael Party manifesto, the Fianna Fáil Party manifesto or the Sinn Féin manifesto? If not, when will there be a mandate?

I am one of those people who were born before 1963 and one had to have been born before 1963 to have participated in that vote. Therefore, there are very many people of child-bearing age who never had an opportunity to determine what was to be in the Constitution and how they might be protected when pregnant.

The 1983 debate was fierce and academic in that it was fought out between lawyers. However, what has changed the public view has been the very tragic cases which have ended up in the public arena, such as the X, Y and A, B and C cases. The awful aspect is that there is an inevitability that these will not be the last cases. We continue to outrage people.

On the night we debated the Protection of Life During Pregnancy Bill, I said I had been over to Liverpool Women's Hospital with a group of people, Doctors for Choice, on a study trip about fatal foetal abnormality. It is barbaric what this country put those women - and couples in most cases - through. These were the people who could afford to travel. Anyone who cannot afford to travel will be told, "You must continue with your pregnancy to term". That is outrageous.

The public are way ahead of this Parliament and they are way ahead of the political parties on this issue, as shown by the opinion polls. I refer to *The Irish Times* poll in October which showed that 68% were in favour of a referendum. In September, the Millward Brown poll showed that 75% were in favour of a repeal of the amendment. The figure varies depending on a number of factors.

It was interesting to note that some Members have a different view to that of their party. In their view the eighth amendment is a problem and it needs to be repealed but they are not willing to go that stage further to facilitate it. The chilling effect of the protection of life legislation is very real. The Minister for Health, Deputy Leo Varadkar, drew attention to it last night, as he did with regard to the risk to health and permanent disability for women who are the only members of the population impacted by this legislation. I wonder if it were to have an impact on all members of the population whether there would be a different viewpoint.

We can talk about considering this issue in a constitutional convention but at some point we will have to grapple with the very real prospect of giving people what the majority of them want, which is an opportunity for a referendum in which they, not us, will decide whether this is the way they want to see a modern country treating women who are pregnant, whether through rape or incest, whether the pregnancy is not a pregnancy with which they wish to continue or in cases of fatal abnormality of the foetus. We are putting off the inevitable day and there always will be a reason this cannot be brought forward. It is about time some respect was shown to the opinion that is way ahead of the Parliament and the political parties and that we agreed to hold a referendum. I will support the Bill tonight.

Deputy Paul Murphy: I wish to respond to the thrust of the Minister, Deputy Varadkar's speech yesterday and that of many other Government Deputies but also, unfortunately, echoed by Fianna Fáil and shamefully by Sinn Féin. What was primarily picked up by the media of what the Minister said was the admission of the blatantly obvious that the eighth amendment is too restrictive and has no respect for women's long-term health. However, the essence of his speech and that of many other parties in this House is a statement that the debate on abortion has been dominated by the extremes on both sides who have, in turn, crowded out the middle ground. Conveniently, he places himself and his party in this reasonable middle ground, together with a mythical conservative middle Ireland. This is an attempt to discredit the pro-choice movement by saying we are the equivalent, the same as the pro-life reactionaries, the anti-choice people who would be opposed to every single social progress possible and propose at any stage that we are both two different extremes. Let us be clear that this Bill is not an extreme piece of legislation. It proposes that the Constitution should not have a feature that places the lives of women at the same level as the lives of foetuses. Those who oppose that, those who defend with whatever justification that provision are the extremists. In almost any other country in Europe, they would be seen as far out extremists, but not just in any other country in Europe.

The reality is that things have changed in this country and in this country they are extremists. There is a clear majority. I refer to a poll in the *Sunday Independent* in September which showed "Yes" at 56% to the question of holding a referendum on repeal of the eighth amendment, with the figure for "No" at 19% and "Don't know" at 25%. Alongside that poll, a massive majority were in favour of the right of abortion for women in a whole number of different circumstances, all of which would require the repeal of the eighth amendment. All of the talk about this middle Ireland that cannot be trusted to have a responsible debate on abortion should be recognised for what it is, a fig-leaf by the conservative force in this House who do not want to legislate and who do not want to have their position exposed in front of the majority. The people in this country are well able and well ready for a referendum on this question. It is clear which way they would vote.

I also reject the call that accompanies this argument for a consensus between the two extremes. Speakers on the Government side argued that we must arrive at some sort of consensus. I have no interest in reaching a consensus on women's reproductive rights with the conservative

forces in this House. I have an interest in women reaching a consensus with themselves about what choice they make. They should have the right to have an abortion if that is what they choose. They should also have access to all aspects of reproductive justice and rights, including the right to have access to decent child care and health care. Those are the areas on which discussion and a consensus should take place, not among a bunch of conservative old men in Parliament.

The Minister's statement that he does not have the right to impose his views on others was echoed by other Fine Gael Party Deputies. This is precisely what he is doing by refusing, as Minister for Health, to allow a referendum to be held on repealing the eighth amendment. His refusal means the *status quo* will be maintained. He recognises that the eighth amendment is too restrictive. Did he also believe that was the case when, one year ago, he voted to criminalise women who have abortions and those who help them to do so and exclude fatal foetal abnormalities from the abortion legislation? If he believes that women's health is endangered by the eighth amendment, what does he propose to do about it? The excuse that the Government does not have a mandate to hold a referendum on this issue is completely empty. The Government did not receive a mandate to introduce water charges, attack child benefit or introduce many other recent measures but this has not prevented it from doing so. It has a mandate to allow people to decide on this issue.

The Minister criticised the slogan that emerged at the time of the tragic death of Savita Halappanavar when he stated we can never say "Never again" and really mean it and must face up to the reality that it is not possible to eliminate all human tragedy from pregnancy. Of course that is the case. However, the slogan does not mean there will never again be tragedy in pregnancy. We can say "Never again" to many things, for example, to women dying as a result of being legally denied access to abortion, to women who have been raped and are suicidal being refused the right to travel to access an abortion and forced to give birth and to the unbelievable case about which details are emerging that involves a clinically dead pregnant woman being kept alive by a hospital against the wishes of her parents because of the provisions in the Constitution and the absence of an ability to repeal them.

Deputy Kathleen Lynch: The Deputy should show some respect.

Deputy Paul Murphy: The Government, and perhaps the Minister, may not believe we can say "Never again" to those scenarios but they should at least allow people to decide whether they want to say "Never again" by holding a referendum in the spring of 2015.

Deputy Richard Boyd Barrett: Many Government spokespersons have called for a rational, sensible and sensitive debate on this sensitive issue. That is fair enough but let us clarify what this debate about. It is not about anyone's personal views on abortion. While everyone is welcome to his or her views on the issue, people should also be able to make decisions about their lives, health and welfare. This debate is about the fact that half of the population - women - are denied the right to make decisions about their lives, health and welfare, sometimes in the most cruel, difficult and traumatic circumstances.

For the State, under any circumstances, to prohibit women from taking an action they deem necessary to safeguard their lives, health or welfare is obnoxious and repugnant. To force a pregnant woman who has suffered rape, incest or abuse or who knows the child she is carrying will not live into taking a certain course of action against her will by denying her the right to make her own choices in such awful, tragic and traumatic circumstances is barbaric. There is

no other way of describing it.

Notwithstanding all of the fierce debates, arguments and differences Deputies have over many issues, I do not believe - at least I do not want to believe - that any Member of the Oireachtas would knowingly and deliberately inflict unnecessary cruelty and hardship if he or she believed another choice was available. While I disagree fundamentally with the imposition of austerity, water charges and so forth, I accept that Government Deputies who defend such measures probably believe they must be introduced because the Government does not have a choice. In this case, however, the Government has a choice and is choosing to deny women their choice. How can it possibly allow the current position to persist when it knows that tomorrow a dozen women will suffer needless cruelty, hardship and suffering as a result of a crisis pregnancy, an unviable pregnancy or a pregnancy arising from rape or abuse? It proposes to allow these circumstances to continue by maintaining the State's prohibition on women having the choice and the provision of facilities for them to exercise that choice. In so doing, it is allowing the crisis to become even worse because it stigmatises these women by describing as criminal the choice they may make to travel to Britain and forces on them the extra hardship involved in making that journey. The Government is proposing to allow the current position to continue when it has the choice of changing it. This is a choice that women do not have. I cannot understand that position, particularly as within months of being passed, the Government's legislation failed to deliver its promised objectives.

The Government has also failed in the area of fatal foetal abnormalities. I had a daughter who died because she had a fatal foetal abnormality. We did not know she would be born that way and she died a few weeks after birth. It was a very hard thing to be told that a baby who has been born and whom one wanted to have has a condition that is incompatible with life. It is still very hard to get my head around that. When the issue of fatal foetal abnormalities entered public debate I asked the mother of our daughter what she would have done if she had known about the condition in advance. We both agreed that we did not know what we would have done. We were, however, certain that we would have wanted to have a choice because there was no good way out of the situation, which would have been tragic and life-changing either way.

It is barbaric to deny a woman who discovers that the child she wants will die the right to make the choice about how such an awful tragic situation should unfold. This scenario and the tragic, traumatic and awful cases involving rape and incest are what we are about to allow to continue. The choice we have is not to stop all suffering or tragedy but to prevent additional suffering from occurring, ensure the State does not make these awful, tragic, desperate and frequently life-changing cases worse and provide in this State as much support as possible for the women in question. For people in the Labour Party who talk about equality, women's rights and wanting to end suffering to allow a situation to continue whereby suffering persists when we could do something else is really awful. I thank Deputy Clare Daly.

Deputy Joan Collins: I thank Deputy Clare Daly for bringing the Bill before the House. I have no doubt the Bill will be voted down; that is the predetermined position. The issue will not go away, as the Minister of State knows, unless people in government realise that denying people choice is not good enough any more. Crisis pregnancies are a reality. Every year 4,000 or 5,000 women travel, and that has been happening for decades.

Last night the Minister, Deputy Varadkar, accepted, as others have said, that our abortion laws are too restrictive. I welcome that statement from the Minister, as well as the statement that the eighth amendment has a chilling effect on doctors and, in general, his assertion that the

insertion of the of the Constitution as worded was a mistake. Yet, a Bill was brought before the House in January 2014 which was premised on that mistake. It did not take into consideration the women who face fatal foetal abnormalities, rape, etc. That is something the Government has to recognise. I do not want to be political, but it needs to hang its head in shame. It had an opportunity to say we should repeal the eighth amendment to allow these issues to be addressed between a doctor and a woman in regard to her health and personal autonomy. That is what this should be about.

One cannot be on both sides of the debate. If one thinks the eighth amendment or its wording was a mistake, one should stand for its repeal and vote with the Opposition tonight. One should vote with us tonight on the basis of starting a debate in society about moving the issue on quickly. If one has a problem with the wording, let us sit down and have a debate on the issue with the men and women in our communities.

If one thinks our abortion laws are too restrictive and compromise best medical practice and women's health, one should do something to sort it out, rather than saying we have to wait until after the next election and address the issue in a year or two years' time. The Ireland of today is very different to that of 1983 in regard to these issues. Most people who voted in the referendum are 49 years of age or older. That means that most of those who voted are at the age of menopause and will never face that situation again. The vast majority of women over the age of 18 years have not had the opportunity to vote on this issue.

The point has been made that the people are way ahead of the Government on this issue. That is correct; all the figures have been given. There was a poll in the *Sunday Independent*. The interesting fact which has not been dealt with is that the Millward Brown opinion poll in September found that only 31% of people are happy to wait for action on this issue until after the next general election. They want a referendum on the eighth amendment. That figure is the same for women as it is for men.

On that basis, the Minister of State should have the confidence to be able to say to people that the eighth amendment should be repealed. It is causing all sorts of problems for women across the board in all sorts of situations and in terms of the right of women to have abortions. That has to be taken into consideration in dealing with this issue because until the death of Savita Halappanavar many people thought that women in this country had the right to an abortion.

I am very glad to see some of the unions supported this Bill. The perspective from which they are coming is important. They have said that the cost of travelling to Britain for an abortion is 10% of the annual income of low paid workers. It is hypocritical of the State to tell people they can go to Britain, the Netherlands or elsewhere for abortion services. It is like telling people that they cannot have an abortion in our front garden, but can have one in the back garden.

Information on immigrant workers has been released from the IFPA and is particularly poignant. An abortion can cost from €600 to €2,000, excluding the cost of travel and accommodation. An asylum seeker receives a weekly allowance of €19.10. Migrant women have been forced to continue pregnancies because of travel restrictions. The Minister of State has an opportunity to address the issue and should not wait until after the general election.

People have used terms like "pro-life" and "pro-choice", but I do not agree with those terms. I am pro-choice and pro-life, as are many other people. If one examines the figures, one finds

the middle ground has moved and is demanding that the Government repeals the eighth amendment.

Minister of State at the Department of Health (Deputy Kathleen Lynch): I do not believe that the eight amendment of the Constitution should be amended; it should be deleted. I have always held that position and will continue to hold it. Not alone do I believe that, I actively campaigned against its insertion into the Constitution during the referendum campaign, which was not a very civilised debate but rather quite aggressive and personal. I did not expect anything else. I also campaigned on the right to travel and information, and thankfully that was successful, but not by a great amount.

The Labour Party is the only party which has always been upfront about its position on abortion. We are in a coalition Government and there is no agreement about a referendum, and that is why one is not being held. It is not the case that people have different opinions or do not agree, rather, there is no agreement on the issue. The next general election, as Deputy Catherine Murphy correctly said, should be about what is in the manifesto of each political party. Abortion should be included and the people should be allowed to decide who is elected and who is not.

I did not hear Deputy Clare Daly's contribution. I apologise for that because I was busy, as she probably gathered. Apart from Deputies Joan Collins and Catherine Murphy, I despair when I hear arguments about the awful cases, such as women who are raped, which is awful. As women, how could we say otherwise? Do we always have to justify the choices women make with awful cases? Some people may disagree with Deputy Alan Shatter on other matters, but it is worth re-reading his contribution on the Protection of Life During Pregnancy Act. I spoke directly after him and said then what I am saying now. As sure as night follows day, no matter what we put into our Constitution or legislation, except for the type of regulation and protections in terms of how procedures are carried out, we will be back here again. One week an asylum seeker may not have the facility or ability to travel, and something else will happen the week after. It is as simple as that. The human condition puts us in a space in which people find themselves in difficult circumstances.

The issue is not that this is an intolerant Government; it was the people who were intolerant and they spoke. Deputy Catherine Murphy was part and parcel of the campaign, as was I. I see intolerance in the House also. When Deputy Mary Lou McDonald makes a statement on behalf of her party, as she is entitled to do, there is catcalling, while there is name-calling from the backbenches because she expresses a different opinion. If we in this House cannot be tolerant of one another's views, what hope have we of convincing those outside that this debate should be conducted in a tolerant fashion? This is about a lack of tolerance, nothing else. It is not about the right or the left but intolerance. We should not have to justify the position of women and the choices they make for themselves by delving into awful circumstances. We, Deputy Joan Collins and I, have been there. I would not be convinced by a figure of 68% in any opinion poll because when the argument starts, that number will start to slide quickly.

Ireland has changed and there is now an entire generation who do not understand the opinion embedded in the Constitution. However, there is also a generation who will defend the constitutional provision in whatever manner they believe will win the argument. If we are not tolerant of one another's views here, what hope do we have of convincing people outside to be tolerant? There is no other group in society in respect of whom the entire country gets a say in the choices they make except women of child bearing age. I do not go with the argument based

on young people aged 16 years having an abortion. It could be a 44 or a 48 year old who finds herself pregnant at this late age and is concerned. This is about respecting the choices people make, but there is no agreement in government about holding a referendum. I will be honest and open and point out that across every party there are differences of opinion on this issue. I am sure this applies across the Independent benches also.

Deputy Mick Wallace: In this country we talk about abortion as if it is a political or legal issue, something to be regulated by the majority and decided by consensus, informed by religion and morality and opinion polls and something to be debated on the airwaves, with an automatic requirement for balance, when groups with competing viewpoints can have their say. That is not how it should be. Terminating a pregnancy should not be a matter of public debate; it is something that ought to be discussed privately between a woman and her doctor, and with others if she so chooses. It is an intimate, highly personal choice, with the final decision to be made by the woman alone.

What the country needs is a Government that will finally produce sensible, well-thought out legislation wholly removed from the nuances of politics that will allow us to extricate ourselves from women's private reproductive health choices. Crisis pregnancies ought not be a matter of public debate. If a person is not intending to have one, abortion should be none of that person's business. Women all over the world have an abortion every day, for countless reasons, and it is not for me or anybody else to judge a woman for making that choice. If we are to learn anything from the past, women experiencing crisis pregnancies should be afforded extra privileges and protections. They should be listened to, cherished and supported, while their instincts should be trusted. They most certainly should not be treated like criminals, threatened with a custodial sentence, forced to be assessed by five doctors before they are believed, threatened with criminalisation, force fed or hydrated forcibly, or shipped out to our nearest neighbour, alone, confused and distressed. The country owes an apology to every woman who has been affected by these extreme laws and to every woman, past, present and future, who was or will be forced to travel abroad for a termination.

Article 40.3.3o which gives an undefined legal entity - the unborn - an equal right to life to that of the mother was voted on and inserted into the Constitution in 1983, in a climate of fear in the wake of the sexual liberation of the 1970s. Holy Catholic Ireland was still under the cosh of priests and bishops and no one of childbearing age today had a say in that referendum. Let us not forget that contraception was only legalised, with strong restrictions, in 1980. A woman's morality, intrinsically linked with her sexuality, was contained, policed, regulated and prescribed by the State. It is now widely accepted that abortion, in many cases, is not an objectionable practice but is, in fact, necessary and humane, particularly where the foetus has no chance of survival outside of the womb and in cases in which a woman becomes pregnant against her will as a result of having been raped. Most reasonable people agree that there are instances where terminating a pregnancy is the right thing to do. It is much more acceptable today for a person to publicly declare that he or she believes the final choice rests with the woman than it was in the 1980s.

The problem with Article 40.3.3o is that it interprets every termination as unconstitutional. Even if a child of 11 or 12 years were to become pregnant as a result of rape, the Constitution states she should be forced to endure that pregnancy to full term, despite the fact that we all know this is wrong and amounts to torture. In Ireland women and doctors are criminalised if they attempt to procure an unlawful abortion, regardless of the circumstances, and can face up to 14 years in prison. In El Salvador a person would be treated like a murderer and given a

life sentence, regardless of the circumstances involved. Ireland's laws may not appear on the surface to be as harsh, but the principle is the same. Recently, Colm O'Gorman of Amnesty Ireland visited El Salvador and said he believed it was not dissimilar to Ireland. He said:

Just like El Salvador, those who need to access an abortion and who can afford to do so, travel to another jurisdiction. Those who cannot just have to find some way to cope with their situation. In many ways, El Salvador is Ireland without the safety valve of England. In both countries, women and girls are legally prevented, by threat of imprisonment, from making deeply personal choices about how to best manage a risk to their lives or health posed by a pregnancy. Addressing this in either country requires political leadership and courage. It's about time we saw more of both.

Last night the Minister for Health and Children, Deputy Leo Varadkar, told us that the Government did not have a mandate to deal with this issue. Tonight Deputy Eoghan Murphy told us it had. For the Minister to say the Government does not have a mandate is difficult to accept because it has done things it did not have a mandate to do, but it is still in government.

Deputy Clare Daly: I agree with the Minister of State that we should not use hard cases to make generalisations. However, that said, I am conscious that the newspapers seem to be breaking the news of another sad case. It is against the backdrop of quite a number of sad cases, even in the lifetime of the Government. While we do not and should never justify people's opinions, what these cases do is expose that the issue of women's reproductive health should not be dealt with in the Constitution. It should not be something battled over by legal people when women find themselves in a crisis or traumatic circumstances. It is interesting and significant that every person who contributed to the debate said there was a problem with the eighth amendment and the majority said we should not deal with it now. How soon is now? When is there a right time? It is our job. We are paid to legislate and amend the law and, therefore, it is not good enough to say "Not now."

I am in the unenviable position of trying to summarise the debate. The main point I would like to make is that the vote will not in any way reflect the discussion we have had over the past two days, which has shown that, even in the course of the past year, attitudes have changed in the House. It is important to recognise that. A number of Deputies who supported the legislation last year have had the courage to say that provisions in it, such as the criminalisation of women and the need for scrutiny of a case by six medical practitioners, were wrong. It is good that they have put this on the record, but if we are saying it is wrong, we have a responsibility to do something about it.

I would like to respond to a number of points made by the Minister last night regarding some legal issues, because he was wrong about them and some of his comments were a little bit of a cop-out. He said the proposal in the Bill to acknowledge the right to bodily integrity and personal integrity was "vague" and that usually, once rights are acknowledged, the State goes on to ensure they are protected. That is not true in the case of the rights he outlined. Our Constitution, by its very nature, is open and aspirational and states broad principles. It is there to direct the Judiciary, to give guidance to doctors and to be followed up by more detailed legislation. The problem with the eighth amendment was not that it was too vague but that it tried to act as legislation and detail how abortion should be dealt with in various circumstances. It is the opposite scenario in that regard, and the Minister was wrong about it. He was also wrong in saying that many of the subsequent problems were not obvious at the time, because they were.

I refer to a number of points made by Mairéad Enright, a human rights law lecturer. She pointed out that in respect of the Bill we have introduced, bodily integrity is a limited negative right, a right of non-interference. Members have said we protect women's lives, but we do not; we subordinate their lives to the right of a foetus to be born. That is removed and replaced with an explicit provision and commitment to bodily integrity of born persons and it gestures towards a new approach on this issue. If the eighth amendment is removed, the entire legal landscape changes. I agree with Ms Enright regarding what should happen next, which is what happens already with many women in the early stages of pregnancy. They get pills but they should be able to get them easily on prescription from their pharmacist at an accessible price and with access to proper care and counselling. She put forward the Victoria model for the later stages of pregnancy where abortion legislation provides that a doctor may perform an abortion on a woman who is not more than 24 weeks pregnant for any reason and then after than in other circumstances. There are ways in which the follow-on can be dealt with post the eighth amendment.

I very much welcome the fact that the Minister acknowledged that the current provision is too restrictive and stated clearly that our laws have given rise to a chilling effect. He said the result of the provision was that difficult decisions that should be made on the basis of best clinical practice are now being made on foot of legal advice. It is absolutely and utterly frightening when the Minister for Health says our laws are preventing decisions from being made in the best medical interest of women and then says "Well, I'm out of here now. There's nothing more I can do about that." It is not good enough when he clearly outlined that he recognised the barbarity of the provision that women must carry to term pregnancies in which there is a fatal foetal abnormality. He is the Minister and he can bring in legislation. There is legal opinion that says it is entirely permissible, even within the confines of the eighth amendment. While I welcome the fact that he has put it on the record, there is no point in saying something needs to be done. Who will do it if the Minister for Health will not do it?

The Minister said change would come in 20 years. Who will bring that about? We are legislators and that is our job. Unless we tackle it now, we are abdicating our responsibility. On no other issue would this be allowed to wait. Along with this insult, we have our faces rubbed in it by being told we should not rush this, when nobody of reproductive age has had a chance to have a say; when ten women today joined the ten women yesterday who had to take that journey and did not have a say in it; when, as other Deputies said, opinion poll after opinion poll has revealed that the people are supportive of abortion in a range of circumstances and overwhelmingly support the repeal of the eighth amendment; when the United Nations Human Rights Committee says that to adhere to international human rights, we should examine our Constitution; and when everybody in the House and every political party has said we should examine this issue. Let us do that. I agree with Members who said we should have a calm debate and that we should be compassionate and measured. Sloganeering and labelling people is not helpful, but if those on the Government side believe we need a debate on it, what are they doing about it? The only reason we are discussing this is that we have tabled legislation and pushed the issue, and that is not good enough. While I appreciate the sentiment of Members such as Deputy Ó Cuív, who said that perhaps a committee should be set up, we have had various committees, Constitutional Conventions and so on. Let the people have a say. What are we afraid of?

It is good that all parties are on record as saying this needs to be dealt with. Let us ensure it is in their election manifestos. People have said Ireland is not ready for abortion on demand.

I do not like that slogan because it is incredibly flippant and demeaning of women, as if this is something casual that women would like to do, when in fact it is never a decision that anybody would like to have to make. The reality is that most abortions are carried out in early pregnancy by the taking of a tablet. They are no different from a miscarriage, a bit of cramping or anything like that. Late terminations result from serious illnesses, fatal foetal abnormalities and other tragedies. The key issue is that it should be a choice for the woman herself. People have said that nobody has the answers and that we will never agree. Maybe that is the answer - that there is no answer - because what is right for me may not be right for the Minister of State or somebody else's daughter. Circumstances differ for people and, in fact, our views are absolutely irrelevant. All we should be concerned about is putting in place a regime which supports people and their decisions. It is incredibly ironic that we live in a society in which we are happy for women to have jobs, run their homes, raise children, look after the elderly and the sick and run the country, but we will not allow them to make a decision about what is best for their own bodies. I will not explain the reasons people make those decisions - there are varied reasons, and no legislation will ever sort that out - but am I confident that those women will make the best decision for them? I absolutely am. That is all we are asking. The right to choose to have an abortion is equally the right to choose whether to have a child and to be supported in that.

I thank the Deputies who participated in the debate and I acknowledge that the debate has moved on, but for us as legislators it is not enough. We have to do something to move this on. Sadly, it is too late for another ten girls today. We should wise up to this. There is no debate about whether we should have Irish abortion. Irish abortion is exactly the same as abortion in other countries. We just have a stifling hypocrisy that says it has to take place away from here, and that can no longer continue.

Cuireadh an cheist.

Question put:

<i>The Dáil divided: Tá, 13; Níl, 110.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Boyd Barrett, Richard.</i>	<i>Adams, Gerry.</i>
<i>Collins, Joan.</i>	<i>Bannon, James.</i>
<i>Coppinger, Ruth.</i>	<i>Barry, Tom.</i>
<i>Daly, Clare.</i>	<i>Breen, Pat.</i>
<i>Fleming, Tom.</i>	<i>Broughan, Thomas P.</i>
<i>Halligan, John.</i>	<i>Bruton, Richard.</i>
<i>Healy, Seamus.</i>	<i>Buttimer, Jerry.</i>
<i>Higgins, Joe.</i>	<i>Byrne, Catherine.</i>
<i>McGrath, Finian.</i>	<i>Calleary, Dara.</i>
<i>Murphy, Catherine.</i>	<i>Carey, Joe.</i>
<i>Murphy, Paul.</i>	<i>Coffey, Paudie.</i>
<i>Pringle, Thomas.</i>	<i>Collins, Áine.</i>
<i>Wallace, Mick.</i>	<i>Collins, Niall.</i>
	<i>Colreavy, Michael.</i>
	<i>Conlan, Seán.</i>
	<i>Connaughton, Paul J.</i>

	<i>Coonan, Noel.</i>
	<i>Corcoran Kennedy, Marcella.</i>
	<i>Costello, Joe.</i>
	<i>Cowen, Barry.</i>
	<i>Creed, Michael.</i>
	<i>Crowe, Seán.</i>
	<i>Deenihan, Jimmy.</i>
	<i>Deering, Pat.</i>
	<i>Doherty, Pearse.</i>
	<i>Doherty, Regina.</i>
	<i>Donnelly, Stephen S.</i>
	<i>Donohoe, Paschal.</i>
	<i>Dowds, Robert.</i>
	<i>Doyle, Andrew.</i>
	<i>Durkan, Bernard J.</i>
	<i>Ellis, Dessie.</i>
	<i>Farrell, Alan.</i>
	<i>Feighan, Frank.</i>
	<i>Fitzgerald, Frances.</i>
	<i>Fitzmaurice, Michael.</i>
	<i>Fitzpatrick, Peter.</i>
	<i>Gilmore, Eamon.</i>
	<i>Grealish, Noel.</i>
	<i>Griffin, Brendan.</i>
	<i>Hannigan, Dominic.</i>
	<i>Harrington, Noel.</i>
	<i>Harris, Simon.</i>
	<i>Hayes, Tom.</i>
	<i>Healy-Rae, Michael.</i>
	<i>Heydon, Martin.</i>
	<i>Howlin, Brendan.</i>
	<i>Humphreys, Kevin.</i>
	<i>Keating, Derek.</i>
	<i>Kehoe, Paul.</i>
	<i>Kelleher, Billy.</i>
	<i>Kenny, Seán.</i>
	<i>Kitt, Michael P.</i>
	<i>Kyne, Seán.</i>
	<i>Lawlor, Anthony.</i>
	<i>Lowry, Michael.</i>
	<i>Lynch, Ciarán.</i>
	<i>Lynch, Kathleen.</i>
	<i>Lyons, John.</i>

	<i>Mac Lochlainn, Pádraig.</i>
	<i>McCarthy, Michael.</i>
	<i>McConalogue, Charlie.</i>
	<i>McDonald, Mary Lou.</i>
	<i>McEntee, Helen.</i>
	<i>McFadden, Gabrielle.</i>
	<i>McGinley, Dinny.</i>
	<i>McGrath, Mattie.</i>
	<i>McGrath, Michael.</i>
	<i>McHugh, Joe.</i>
	<i>McLellan, Sandra.</i>
	<i>McNamara, Michael.</i>
	<i>Martin, Micheál.</i>
	<i>Mitchell, Olivia.</i>
	<i>Mitchell O'Connor, Mary.</i>
	<i>Moynihan, Michael.</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 Caoláin, Caoimhghín.</i>
	<i>Ó Cuív, Éamon.</i>
	<i>Ó Fearghail, Seán.</i>
	<i>Ó Snodaigh, Aengus.</i>
	<i>O'Brien, Jonathan.</i>
	<i>O'Dea, Willie.</i>
	<i>O'Donovan, Patrick.</i>
	<i>O'Mahony, John.</i>
	<i>O'Reilly, Joe.</i>
	<i>O'Sullivan, Jan.</i>
	<i>Perry, John.</i>
	<i>Phelan, Ann.</i>
	<i>Phelan, John Paul.</i>
	<i>Rabbitte, Pat.</i>
	<i>Reilly, James.</i>
	<i>Ring, Michael.</i>
	<i>Ryan, Brendan.</i>
	<i>Smith, Brendan.</i>
	<i>Spring, Arthur.</i>
	<i>Stanley, Brian.</i>

	<i>Stanton, David.</i>
	<i>Tóibín, Peadar.</i>
	<i>Troy, Robert.</i>
	<i>Tuffy, Joanna.</i>
	<i>Twomey, Liam.</i>
	<i>Varadkar, Leo.</i>
	<i>Wall, Jack.</i>
	<i>Walsh, Brian.</i>

Tellers: Tá, Deputies Clare Daly and Mick Wallace; Níl, Deputies Paul Kehoe and John Lyons.

Question declared lost.

Faisnéiseadh go rabhthas tar éis diúltú don cheist.

11 o'clock

Topical Issue Debate

NAMA Social Housing Provision

Deputy Seán Kenny: I thank the Ceann Comhairle for selecting my Topical Issue matter, although I did not think I would be discussing it this late in the evening. A serious housing problem has emerged in this State, particularly in the city of Dublin, in regard to providing social housing for the large number of people on the housing waiting lists. The 13 apartments at Calderwood Court, Drumcondra, were constructed seven years ago prior to the bursting of the property bubble and they have remained uninhabited since then. In that respect, they are symptomatic of the property crash. This year NAMA began a ghost estate transformation and remedial works at Calderwood Court through its residential property assets service. I understand that a number of issues only became apparent when the remedial work commenced. A new roof had to be fitted due to the extent of disrepair and water damage also had to be repaired. It was originally expected that the remedial work would be completed before the end of this year so that the units could be allocated but I have since been told that they will not be ready until quarter one of 2015.

NAMA agreed to transfer the Calderwood Court apartments, which were in liquidation, to the National Association of Building Co-operatives, NABCO, for allocation to applicants on Dublin City Council's housing list. NABCO received nominations from Dublin City Council and I understand it has interviewed and selected families who have been ready to move into their new homes for some time. A number of the families who are waiting to move in are my

constituents. Their current rental leases are due to expire and they fear they may become homeless before the apartments in Calderwood Court are ready for occupation.

I welcome the establishment of the Dublin housing task force by the Minister for the Environment, Community and Local Government to fast track the provision of social housing in the city. I ask the task force to examine ways of expediting the remediation of the apartments at Calderwood Court so that the families can move into them at the earliest opportunity.

Minister of State at the Department of Agriculture, Food and the Marine (Deputy Ann Phelan): I thank Deputy Seán Kenny for raising this issue. The Department of the Environment, Community and Local Government works closely with NAMA, the Housing Agency, local authorities and approved housing bodies to deliver social housing. As of the end of quarter three of 2014, more than 2,000 available units identified by NAMA have been confirmed by local authorities as suitable for social housing. Of this portfolio of properties, some 926 units were contracted or committed for social housing. A further 486 properties are the subject of detailed appraisals or active negotiation by the parties concerned. The remaining 709 units are currently under consideration and require further appraisal with a view to delivering them in 2015 and 2016. An additional 507 properties have been evaluated to determine demand and suitability for social housing. Updated information on the delivery of NAMA sourced units for quarter four of 2014 is currently being finalised and will be made available on the Housing Agency's website when complete.

Significant progress has been made in respect of delivery from NAMA, which has been greatly aided by the introduction by NAMA of the National Asset Residential Property Services Limited special purpose vehicle for delivery. Before any units can be acquired by the NAMA special purpose vehicle and made available as social housing a number of issues must be finalised. These include any completion works required, the resolution of outstanding planning, development contribution or legal issues and ensuring compliance with any requirements under the multi-unit development legislation.

In respect of the apartments at Calderwood Court, Drumcondra, the Department is working closely with NABCO, NAMA, Dublin City Council and the Housing Agency to expedite timely delivery. The units concerned have received full funding approval from the Department of the Environment, Community and Local Government, which represents a commitment to fund these units for the length of the agreement. It is important to note that the process engaged in with respect to the delivery of units at Calderwood Court involves a significant multi-unit transaction, which adds to the complexity of getting agreement from all relevant parties who must ensure that all legal and financial requirements are dealt with in full. Once all legal and financial processes have been completed, the remaining lease agreements, including the various stakeholders, which are being processed in a parallel process can be completed.

Finally, once all required processes are completed by Dublin City Council, the council will allocate the units without delay. The Minister, Deputy Alan Kelly, has asked that this be carried out as quickly as possible. I am confident that these units will be allocated in 2015 and that, more generally, the significant delivery of NAMA units that has been achieved in 2014 under this process will continue into 2015.

Deputy Seán Kenny: I thank the Minister of State for her indication that the Minister, Deputy Kelly, will talk to NAMA about expediting this. It is the second time that something like this has happened in my constituency. Earlier in the summer there was a similar situation

in Belmayne. The situations were similar in so far as the families who were selected for the accommodation were given to understand that the apartments would be ready much earlier than when they were actually completed. There is a need for Dublin City Council, NABCO, NAMA and all the agencies involved to try to co-ordinate their efforts so they will be able to give a clearer prediction to housing applicants as to when they can realistically move into the accommodation. There is nothing worse than giving somebody an optimistic forecast and then having to row back from it and tell them it will not happen until much later.

Some of the people in these situations are homeless while some are in rented accommodation for which their leases are expired. I am aware of one case where the lease is expiring because the owner wishes to get the house back for a member of his family who is returning from Australia. Such situations occur quite frequently, and there is a conflict between one person who wishes to move into the accommodation and somebody else being forced out.

There is a need for better co-ordination between NAMA, the approved housing bodies and the city council to set more realistic targets for completion and for moving people into the accommodation.

Deputy Ann Phelan: I understand the frustrations the Deputy is experiencing. I also understand the frustrations faced by the people he is trying house. It is very difficult when one is on the list and one knows there is the promise of accommodation, but it is out of one's control because so many other people must get their ducks in a row. I do not like to use that phrase but that is what must be done.

I note the Deputy's point that there must be a targeted approach to this. That is exactly what the Minister, Deputy Alan Kelly, is achieving. He has had great success in the few months since he took over this brief. The total targeted provision of more than 110,000 social housing units through the delivery of 35,000 new social housing units and meeting the housing needs of 75,000 households through the housing assistance payment and rental accommodation scheme will address the needs of the 90,000 on the housing waiting lists in full, with flexibility to meet future demand. With regard to the delivery of units at Calderwood Court, Drumcondra, the Minister is satisfied that all parties are committed to achieving speedy delivery of the units. He has asked that the units be allocated as soon as possible. In line with the social housing strategy, the Minister remains committed to maximising the delivery of social housing units through various mechanisms, including NAMA-sourced units.

I was on the Labour Party committee dealing with social housing and I am aware of how important it is. I accept that the issue raised by the Deputy is particularly important. We are anxious to get on with the job and the Minister, Deputy Alan Kelly, is extremely determined to do that. Indeed, he has already achieved progress in this area.

Message from Seanad

Acting Chairman (Deputy Jack Wall): Seanad Éireann has passed the Social Welfare and Pensions (No. 2) Bill 2014, without amendment.

Topical Issue Debate (Resumed)

Special Protection Areas Designation

Deputy Áine Collins: I welcome the opportunity to speak on this important issue. I represent the constituency of Cork North-West. It is a rural constituency and I am concerned about the impact that European directives are having on the livelihoods of small landholders and family owned farms in this area.

Most of the area of western Duhallow was considered a disadvantaged area for many years. It was also part of the CLÁR designated area suffering from huge population decline. Recent EU directives aimed at the protection of the hen harrier and the freshwater pearl mussel will result in a vast area of this region becoming totally non-productive. Any moderate farming, not to mention intensive farming, is impossible. Forestry is not allowed in the area any longer and under the new county development plan wind energy is also to be discouraged. That plan, in order to comply with the EU directives, states that all developments in this area must be put on hold.

If the Government must impose these restrictions to comply with EU regulations, adequate compensation must be paid to the families. For years, it was Government policy to encourage the planting of these lands. Forestry was generating a return of approximately €500 per hectare. Adequate compensation for the restrictions must be comparable with what could be achieved from forestry plantations. There have been suggestions that top-up payment on the green low-carbon agri-environment scheme, GLAS, is being considered. This is a totally inadequate response. These areas must be treated separately. They are unique and require a special scheme to compensate farmers in the designated areas. Compensation should be at least comparable to income that would be achieved from forestry.

Recently, I met a constituent who has 400 acres of this designated hen harrier protected land. He wanted to sell 50 acres to invest in a business, but it was valueless.

Deputy Ann Phelan: I am replying on behalf of the Minister for Arts, Heritage and the Gaeltacht, Deputy Heather Humphreys.

The hen harrier and freshwater pearl mussel are endangered species protected under EU nature directives. The objective of the Department of Arts, Heritage and the Gaeltacht is to ensure these important species are protected while, in parallel, ensuring that the work of farmers and other landowners in managing the habitats which support these species is recognised.

The hen harrier was a major issue in the judgment of the European Court of Justice in 2007 against Ireland in the “birds case” for failure to provide adequate protection for wild birds. As a result of the judgment, Ireland designated six special protection areas, SPAs, for the conservation of this species. The case remains open, with the continuing possibility of reputational damage and fines being imposed on Ireland if we are not seen to be in compliance with the judgment.

The hen harrier SPAs are at risk due to a number of factors, such as the reclamation of upland open habitats for agriculture, the development of wind farms and the maturing of the large-scale forests planted in upland areas. These activities have a serious impact on the birds’

breeding populations. Agricultural reclamation of heath or bog is restricted in these SPAs, as it removes nesting and foraging habitat for the species.

A number of measures were taken to support farmers operating within hen harrier SPA sites under the rural development programme and through a farm plan scheme operated by the Department of Arts, Heritage and the Gaeltacht. With the economic crisis, access to the farm plan scheme was closed to new applicants in April 2010. However, under the agri-environment options scheme operated by the Department of Agriculture, Food and the Marine, priority access was granted to farmers within protection areas, including hen harrier SPAs. The Department of Arts, Heritage and the Gaeltacht has been working with the Department of Agriculture, Food and the Marine to ensure that hen harrier areas are included within the proposed GLAS scheme under the new rural development programme. The draft GLAS programme includes hen harrier SPA actions within tier 1 of the programme, which is designed for priority environmental assets and action, because of the difficulties landowners face in these areas. Farmers within tier 1 will get first priority access to the scheme in the first year and subsequent years.

The Department is working on a threat response plan with other relevant Departments, which is to provide an overall plan to improve the prospects of the hen harrier while bringing clarity to wider issues including afforestation. The fresh water pearl mussel is in serious decline in rivers in Ireland. It, too, is the subject of an EU infringement process. The Department of Arts, Heritage and the Gaeltacht has recently commenced a project co-funded by the EU, called KerryLIFE which is working closely with farmers and foresters to provide the necessary water quality for the species in two rivers in Kerry. The Minister for Agriculture, Food and the Marine is working on a targeted output measure under the new rural development programme, which will focus on the pearl mussel in certain priority catchments. Both of these projects will bring income to farmers in rural areas who carry out work beneficial to the pearl mussel.

Two weeks ago, I was in Kerry and met farmers affected by the issues. I listened to them and spoke to the Minister. While she has not been definitive about what she intends to do, we listened to the concerns and I conveyed them to the Minister.

Deputy Michael Fitzmaurice: Did the Minister of State hear what the Deputy said? In 2010, the Government stopped payments. Anybody could be on REPS, whether or not they are dedicated.

Deputy Ann Phelan: We are introducing the GLAS scheme.

Deputy Michael Fitzmaurice: It is scandalous. Families are being driven out of rural Ireland.

Deputy Ann Phelan: As I said in my statement, these areas will get priority.

Deputy Michael Fitzmaurice: They are not getting priority. Farmers can spread slurry with a trailing shoe and get the same priority.

Acting Chairman (Deputy Jack Wall): The Deputy cannot interfere in a Topical Issue debate. He may put down a Topical Issue matter of his own.

Deputy Michael Fitzmaurice: What is being said here is scandalous.

Deputy Áine Collins: I thank the Minister of State for her reply. While I accept what she said, with all due respect, the GLAS scheme does not provide the necessary compensation for

these families. A farm with a hen harrier on it can be farmed to only 0.6 of its capacity, which is not viable. I know a young man in Ballydesmond who has a 100 acre farm and who has invested heavily. He is left with a huge debt and no income. I ask the Minister of State to consider the constitutional implications. The Constitution guarantees the right to private property. There are instances in which this right can be overcome for the common good, such as land requisition for necessary infrastructure. However, under the Constitution this can be achieved only when adequate compensation is paid to the landowners. These designations should be considered in the same context. While it is fine to protect the hen harrier, if we are going to do it we must pay the farmers.

Deputy Ann Phelan: All I can do is reiterate that I understand the Deputy's concerns and I met the smaller farmers. I understand the difficulty they face and how their incomes will be extremely difficult. As I am not the Minister with direct responsibility for it, I have conveyed my concerns to the Minister and will again. This is part of the GLAS scheme, which will prioritise these areas. On the other side of the country, small farmers are contacting me to say they cannot get on the GLAS scheme because other areas are receiving priority. I sometimes liken it to cases in which some people want me to do something on one part of a river while others want me to do something else in another part of the same river. I understand the concerns and I know farming income is on a downward trend. It is a serious issue and we will give it the attention it deserves.

School Accommodation

Deputy Pat Breen: I thank the Ceann Comhairle for facilitating this Topical Issue, which provides me with an opportunity to raise the serious situation at the CBS secondary school in Ennistymon. I thank the Minister for Education and Skills, Deputy Jan O'Sullivan, for being here personally to take the debate, for which I am very thankful. CBS Ennistymon is a very progressive school where the management and staff promote an all-round education ethos. Its priority is very much focused on the needs of its students and, as a result, the school has a very friendly environment. As well as promoting academic performance, the school provides a range of extra-curricular activities in which the students are encouraged to participate. CBS Ennistymon was the only school in County Clare to be represented at the Web Summit. It is a regular participant at the BT Young Scientist and Technology Exhibition and this year, for the first time in its history, it won a major hurling title, the Munster schools senior championship, and congratulations are due to all involved. It also runs after-school clubs in applied maths and computers, publishes an annual school magazine and, last week, had a very successful school concert.

I am highlighting these issues to show the Minister the difficult background and deteriorating conditions of the prefabricated buildings against which the students and teachers have to work. Last Monday morning, I visited the school. The main school building is in fair condition, except for one room, which had a smell of damp. At the rear of this building are six prefabricated buildings, all of which were bought second hand and have gone well past their sell-by date. I inspected all six units and not one of them is fit for purpose. One was being used by first year students and was closed down at the end of October because of health and safety issues. Earlier this evening, I presented the Minister with a copy of the HSE report. The other five prefabricated buildings are also in very bad condition, with holes in the external walls, no insulation, uneven floors and rotten floorboards one could walk through. They were extremely

cold. The entrance door of one prefab which was used as a classroom was so bad it had to be replaced with a metal door. There are no handles on the windows, and when the weather is windy, two desks have to be placed against the entrance door to other prefabs to keep it closed. One of the small prefabs I visited is a resource room. It has no heating, is damp, the paint is peeling and the floor is rotten. These are facts surrounding the appalling state of these prefabricated buildings that urgently need to be replaced in the interests of health and safety.

The problem of course is there is an amalgamation process in place in respect of all three schools in Ennistymon and that amalgamation proposal will put them all into a single site, which leaves the school in limbo. Talks on this project have been ongoing since 1997, and I understand the transfer of the site involved still awaits a decision from the Office of the Chief State Solicitor. Even with the best will in the world and even were the green light to be given for the amalgamated school project in the morning, it would take a number of years for it to happen. However, it will not happen because there are some problems at present with regard to the site transfer. The teachers and students of Ennistymon CBS cannot wait. The school has made an application for funding and given the school's positive reputation, there also has been a surge in enrolment. At present, 182 students are enrolled and next year, I understand this figure will rise to 215 students, which will place even greater pressure on the school. Will the Minister send down her officials to fast-track the emergency application for the prefabricated buildings in order that they can see the school for themselves at first hand. Being a Clare woman, the Minister is very familiar with north County Clare and I know she will have positive news on this issue, particularly at this time of the year at Christmas.

Minister for Education and Skills (Deputy Jan O'Sullivan): I thank Deputy Breen for raising this issue. His particular concern is the replacement of the prefabs but, as he stated, Ennistymon CBS secondary school is one of three post-primary schools in Ennistymon that have agreed to amalgamate on delivery of a new school building. This building project will require a suitable site for it to be progressed. As the Deputy has noted, the Department acquired land in the Ennistymon area. In addition, the religious congregation that owns existing school properties in Ennistymon has offered to transfer the properties concerned to the State as part of its offer made in response to the publication of the report of the Commission to Inquire into Child Abuse, that is, the Ryan report. The land in question, which the Government has agreed to accept, together with the lands already in the ownership of my Department, will be sufficient to meet the overall site requirements of the building project to facilitate the amalgamation of the post-primary schools.

My Department, through the Office of the Chief State Solicitor, is currently working with the solicitors acting on behalf of the congregation concerned on the legal procedures and mechanisms required to facilitate the transfer of this additional land. When the transfer of the property concerned has been completed, my Department will be in a position to consider how the amalgamated school project can be furthered. In that regard, my Department is evaluating technical elements associated with the proposed development of the site. This will facilitate the completion of the project brief for the schools concerned and my Department will be in further contact with the schools concerned in the matter.

However, I acknowledge the Deputy is concerned with the immediate problem facing the school. Although the more long-term solution probably is not too far away in terms of commencement, as the Deputy has stated, Ennistymon CBS secondary school has recently submitted an application to my Department for interim school accommodation consisting of one additional classroom and the replacement of five existing prefabricated classrooms and two

resource rooms. This application is being assessed at present and my Department will be in direct contact with the school authorities on that matter shortly. However, I certainly take the Deputy's point and I note he gave me a report earlier this evening on the condition of the school. I wish to give him an undertaking tonight that my Department will revert to the Deputy and the school authorities as quickly as possible in respect of the more short-term issue. Obviously, the more long-term issue also is being progressed.

Deputy Pat Breen: I thank the Minister for her reply and I note she is taking a positive approach to this issue. The Minister has outlined the current position with regard to the amalgamation and there are problems there. As the Minister has stated, I hope these problems can be sorted out in the short term, but whatever happens, the amalgamation will take time. The building project will take time, as a considerable amount of time is involved in an application, particularly when one is building a school in a new greenfield site. However, in the meantime, unfortunately, Ennistymon CBS cannot afford to wait for this amalgamation given the serious situation at the school. I have presented the Minister with a copy of the HSE report, which is very serious, and I acknowledge the Minister has taken time to examine the report. I ask the Minister to send her officials to meet the school officials before Christmas if possible. There is a new principal there, as well as hard-working staff. I reiterate I visited the school last Monday and the pupils and teachers are working in an extremely difficult environment in those prefabricated buildings. There is a health and safety issue, the buildings are rotten and there will be an increase in student numbers in the coming years because of the school's reputation. I reiterate it was the only school in County Clare to participate in the web summit and it also participates in the BT Young Scientist exhibition. It is an active school with an active staff who are very interested in the students.

This issue must be dealt with immediately in 2015 and it cannot afford to wait. I thank the Minister for stating she will fast-track the project as quickly as possible and will send the officials down to meet the school authorities. An application has been made and I hope the project will go ahead in early 2015. The school needs six prefabricated buildings to be replaced and it is a difficult site because its elevation means it will be necessary to build the prefabricated buildings on site. However, as a local Deputy, I am greatly concerned about the conditions in the school in which the pupils and teachers must work. I thank the Minister and hopefully there can be a positive results in this regard in the coming weeks.

Deputy Jan O'Sullivan: Again, I assure Deputy Breen that I will ensure that the officials in my Department receive a copy of the report he has given to me and that my Department will follow it up as quickly as possible.

National Cancer Strategy Implementation

Deputy Michael Colreavy: I thank the Minister for Health, Deputy Varadkar, for attending the midnight shift here in the Chamber. This Topical Issue matter is entitled mammography services at Sligo Regional Hospital, but it could have been called the impact of political decisions, broken promises and the very future of a hospital. If I may, I will set the context for Sligo Regional Hospital. The hospital serves a catchment area covering counties Sligo, Leitrim, south Donegal and west Cavan and even covers parts of counties Roscommon, Longford and Mayo. It provides a wide range of specialty services and generally is highly regarded for the quality and outcome of services. I have a personal interest in the future of the hospital because

I spent a number of years working there and all of my children and grandchildren were born in that hospital. Consequently, it is close to my heart, as well as to the hearts of most people in the north west.

Up to 2009, women with breast cancer could avail of a full range of services at the hospital. Again, the service was highly regarded and the patient outcomes compared favourably with the best national and international performance standards. It made such a difference to women with breast cancer that they were not obliged to travel to Galway or Dublin for the services because it is a six-hour round trip to Galway for people from the furthest end of Sligo Regional Hospital's catchment area, which is a very long trip. In 2008-2009, the then Fianna Fáil-led Government announced that the breast cancer services were to relocate from Sligo to Galway. That announcement stunned local people, who spontaneously arranged several protest marches, which were among the biggest marches I have ever seen in Sligo. However, the Government and the HSE were not for turning. Spokespersons for Fine Gael and the Labour Party promised before the 2011 general election that if elected to Government, they would reverse this decision and restore full breast cancer services to Sligo Regional Hospital. That promise was a major factor in the 2011 election, which resulted in two Fine Gael Deputies, thankfully one Sinn Féin Deputy and no Deputy representing Fianna Fáil being elected for the constituency. Unfortunately, it did not take long for me and the people in the constituency to realise this was an empty promise and the incoming Government did not keep its word. As a sop, it stated that a luxury bus would be used to transport women with breast cancer between Sligo and Galway and that bus did operate for a couple of months before being withdrawn.

I will now turn to the issue of mammography.

Mammography equipment at Sligo Regional Hospital has lain unused for some time because, according to HSE, there are not enough trained mammographers to operate it. Also, in the interests of fairness and accuracy, the HSE today advised me that the mammography equipment was decommissioned as it was more than nine years old and does not meet current guidelines. Clearly it did not strike the decision-makers that the equipment could and should have been replaced.

The HSE made gave a solemn promise to politicians and people in the north west that it would ensure the necessary mammographers would be trained and assigned to the service at Sligo Regional Hospital. This equipment has been spirited away. When I last spoke on this issue I was attributed as saying that the equipment had been stolen from the hospital. I would like to correct the record. What I actually said was that the equipment had been spirited away because "stolen" implies an illegality and spirited away means only that it was removed with a lack of openness.

The HSE has now announced that mammography services will not be provided at Sligo Regional Hospital. This means women who could have availed of the service in Sligo must now travel to Galway or Dublin. This is an outrageous breach of several promises and a slap in the face for the women of Sligo. It is not good enough. Can this decision be reversed? Any person, agency or Government that cannot or will not keep their word should not be making decisions on behalf of sick people.

Minister for Health (Deputy Leo Varadkar): I thank the Deputy for raising this important matter and welcome the opportunity to speak about mammography services at Sligo Regional Hospital.

The Saolta University Health Care Group has decided that patients in the west-north west region who are recovering from breast cancer treatment will continue to attend University Hospital Galway for follow-up surveillance mammography services. This is a service decision for the hospital group and was not subject to ministerial consent. This is a continuation of the service arrangements that have been in place since 2009. I am informed that this approach is supported by the National Cancer Control Programme as the most effective way of providing quality assured follow-up services to patients who have undergone surgery for breast cancer.

A comprehensive symptomatic breast cancer service is provided to patients from the west-north west region at the symptomatic breast unit based at Galway University Hospital, with a satellite service provided at Letterkenny General Hospital. This service is provided on the basis of clinical need and is in line with the criteria approved by the National Cancer Control Programme for breast cancer diagnostic and surgical services.

Following the reorganisation of breast cancer services into the eight designated cancer centres, GPs in Sligo were requested in 2009 to refer all new patients to Galway University Hospital. The breast symptomatic service in Galway has had excellent outcomes over recent years and patient satisfaction with the service is reported to be very high. The National Cancer Control Programme advises that provision of surveillance mammography at the location where the patient's surgery was carried out is in line with best international practice. This normally involves annual checks for a period of approximately five years. Meanwhile, other cancer services continue to be provided at Sligo Regional Hospital, including the provision of chemotherapy services. Also, approximately 500 inpatients, 5,200 day cases and 2,700 outpatients are treated, between oncology and haematology services at Sligo Regional Hospital each year. Services are provided to patients from across the catchment area of Sligo, Leitrim, south Donegal, west Cavan and parts of Mayo. The service in Sligo is committed to consistently achieving high quality evidenced based care for the management of cancer patients and patients with non-malignant blood disorders.

Deputy Michael Colreavy: I thank the Minister for his response. However, it misses the point which I outlined earlier. The breast cancer services in Sligo Regional Hospital compared with the best nationally and internationally in that patient outcomes were on a par with the best anywhere. There was no need for removal of those services from Sligo Regional Hospital.

There were several promises made, many in writing, that mammography services would be restored to Sligo Regional Hospital. Those promises have been broken. I am aware that the Department of Health delegates powers to the Saolta University Health Care Group and the HSE. This is not delegation but abdication of responsibility.

The problem that arises is as follows. If the range of services provided by a regional hospital are reduced no junior doctor worth his or her salt will take up employment there because they want to gain a broad breadth of experience at the hospitals in which they work. Similarly, consultants or registrars want to work in centres that provide a broad range of services. In removing services surreptitiously and promising that things will be done and then not delivering on those promises this is damaging to Sligo Regional Hospital not only now but into the future.

Will the Minister meet with management at the hospital to explore service developments that might be possible there? Can other services be provided at that hospital in light of the decision that breast cancer services cannot and will not be provided there? Will the Minister meet with management of the hospital to explore possible service developments for the hospital? As

I said, the catchment area is large. It takes people six hours to travel from the top of the catchment area to Galway and back.

Deputy Leo Varadkar: There are proposals for major capital developments at Sligo Regional Hospital in the coming years. As such I expect that at some point I will be meeting with the hospital group and management at Sligo Regional Hospital. This development is in the mix for the next five year capital plan.

By way of clarification, the powers delegated to the HSE are not delegated by the Department of Health rather they are delegated by the Oireachtas under the Health Acts. The Oireachtas in its wisdom decided ten or 11 years ago that service decisions should best be made by clinicians, the HSE and hospital groups rather than by politicians.

The group has informed me by way of briefing note that following an evaluation by it, re-establishment of the Sligo service would no longer be feasible for two reasons. First, there is concern that the potential for fragmentation of the service would not be in the best clinical interests of patients given it is now more than five years since the service was ceased and women who are already receiving follow-up in Galway will continue to avail of this option. Second, there is no longer a consultant radiology back-up in Sligo Regional Hospital and, therefore, any woman requiring further investigation from a mammogram would need to travel to Galway for this service, with the potential of a further delay in intervention. The group has also said that in order for radiographers trained in mammography to continue to perform their role they must meet quality assurance standards and a minimum number of examinations per annum. There are insufficient numbers of surveillance follow-up patients that would require mammography in Sligo Regional Hospital to maintain the radiographers' skill set. As Minister, it is hard for me to ignore that.

I am sure the Deputy will agree with me that patient safety must always come before politics and that clinical outcomes must always come before convenience. I hope we can agree on that. I would be happy to see mammograms carried out at Sligo Regional Hospital. I have no objection to that and would be happy to see that service provided again but this would have to be on the ground that it does not compromise patient safety and does not reduce clinical outcomes.

The Dáil adjourned at 11.50 p.m. until 9.30 a.m. on Thursday, 18 December 2014.