



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Dé hAoine, 24 Meitheamh 2016

Friday, 24 June 2016

Chuaigh an Ceann Comhairle i gceannas ar 10.30 a.m.

Paidir.
Prayer.

Water Services (Amendment) Bill 2016: Order for Second Stage

Bill entitled an Act to suspend charging for domestic water services; for those purposes to amend the Water Services Act 2014; and to provide for certain matters connected therewith.

Minister for the Environment, Community and Local Government (Deputy Simon Coveney): I move: “That Second Stage be taken now.”

Deputy Jan O’Sullivan: On a point of order, can I assume we will be having a debate on Brexit at some stage today?

An Ceann Comhairle: The matter is under consideration and we hope to be able to do that in the afternoon. I am awaiting feedback.

Deputy Jan O’Sullivan: Will the Ceann Comhairle inform the House as soon as possible?

An Ceann Comhairle: Yes.

Deputy Jan O’Sullivan: We cannot ignore this issue today.

An Ceann Comhairle: A motion to change the Order of the day will have to be proposed and I anticipate a proposal in that regard shortly.

An Ceann Comhairle: Yes. A motion to change the Order of Business will have to be proposed and I anticipate a proposal in that regard shortly.

Deputy Jan O’Sullivan: Thank you.

Question put and agreed to.

Water Services (Amendment) Bill 2016: Second Stage

Minister for the Environment, Community and Local Government (Deputy Simon Coveney): I move “That the Bill be now read a Second Time.”

I am pleased to bring the Water Services (Amendment) Bill 2016 before the Dáil today and I look forward to hearing contributions from all sides of this House and the Upper House on the issue of our public water services and how they are funded as the Bill progresses through the Oireachtas. The need for an informed, balanced and rational debate on the funding of domestic water services which is respectful of all positions is the context for the legislation before the House today to suspend domestic water charges for nine months.

Quality public water services and the ongoing investment they require are critical for public health, social and economic development and environmental progress. We have important decisions to make in the coming nine months. We must decide whether we want services to be funded by the Exchequer, competing with hospitals, schools, roads and other services for budgetary allocations, or we want a dedicated revenue stream for domestic water services in which those who use water services pay for those services directly.

The legislation provides for a straightforward suspension that does not affect the existing arrears of Irish Water customers or reward those who have not paid thus far. Neither is there a question over how public water and wastewater services are to be delivered into the future. The approach is accepted and Irish Water will remain our national water utility. This Bill simply provides for the necessary space to allow for debate and decisions on the future funding model for this vital service.

Before I outline the content of the Bill, it is important to remind the House of the legacy of underinvestment that left us with so many problems with our public water and wastewater systems. When Irish Water assumed responsibility for water services in January 2014, some 945,000 people were dependent on drinking water supplies which required remedial action while approximately 49% of all water produced was lost through leakage. Dublin, which should have had a spare water capacity of 10% to 15%, like most European capital cities, only had a spare capacity of 1% to 4% while 44 urban areas throughout Ireland saw untreated sewage going into rivers and seas, posing a major risk to public health and the environment. Indeed, this is still the case in some areas.

Why did we have these problems? Put simply, we are guilty of having underinvested in water infrastructure and services for decades. The capital allocations for vital water and wastewater projects and upgrades competed with, and more often than not lost out to, other more pressing and tangible investment requirements such as those for roads, schools and hospitals. We had these problems because 34 local authorities provided services and infrastructure on a sub-national basis, defined as they were by county boundaries and diseconomies of scale in procurement and network and asset management. These problems emerged despite the dedication, commitment and professionalism of local authority staff in often financially constrained circumstances.

A new approach was needed. The last Government established a single, national utility to deliver water services and infrastructure which could plan and invest on a whole-of-asset base and national basis, funded by sustainable revenue sources, so that Ireland could meet the water challenges of an increasing population, a growing economy and a changing climate.

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Since Irish Water became the national water utility in January 2014, it has made significant progress in addressing some of the problems to which I have referred. By the end of 2015, Irish Water had delivered 20 new water treatment plants and 49 wastewater treatment plants and 500 km of pipework has been repaired or replaced. For too many people, particularly in County Roscommon, having to boil water before using it for drinking or cleaning had become all too familiar. For the residents of Castlerea, for example, boiling water before use was a regular daily occurrence from November 2009 to June 2013. Last year, 17,300 people in Roscommon no longer had to boil water coming out of their taps.

Deputy Eugene Murphy: Five thousand people still have to boil their tap water.

An Ceann Comhairle: We will have one speaker at a time.

Deputy Simon Coveney: This is real progress, which is making a difference to people's lives, and Irish Water's expertise and work has been instrumental in achieving it. The number of people dependent on water supplies listed on the Environmental Protection Agency's remedial action list of works requiring remediation has reduced significantly, from 945,000 two years ago to slightly more than 804,000 today. Dublin's spare water capacity has increased from between 1% and 4% to approximately 10%, a welcome move towards the 15% target Irish Water must meet.

Through the 840,000 meters installed by Irish Water, the utility has been able to identify customer-side leakage and offer householders repairs under the first fix repair scheme. By the end of February this year, 39.5 million litres of water per day had been saved through this scheme and domestic customers' repairs arising from leakage detection through metering. To put this in context, as I stated in a previous debate, the entire water needs of County Wicklow for one day are 34 million litres. It makes much more sense to save existing water than to build new plants without addressing leakage on the public mains and customer sides.

The metering programme has also been critical in the identification of possible lead piping in householders' properties. Irish Water is helping to implement the Government's strategy in reducing public exposure to lead in drinking water. It has written to approximately 34,000 households informing them of the likely presence of lead piping in their properties and provided them with customer advice on dealing with the issue, including public health advice from the Health Service Executive. Deputies should make no mistake; this response would be much more difficult to co-ordinate if we did not have a single national utility. Irish Water has a vital role to play in helping households remove their exposure to lead in drinking water. I look forward to its public consultation on a draft mitigation plan in the near future.

Some of this progress arises from the innovation and national approach adopted by a public utility. However, increased investment is also crucial. This year, Irish Water expects to invest some €550 million in the network, an 83% increase in investment in just three years. As a result, new water treatment plants are coming on stream and major projects such as the Cork lower harbour project are being delivered. This investment will secure quality drinking water supplies and contribute to ending raw sewage discharge straight into our rivers and seas. Significant progress is being made and this requires capital and current funding at higher levels than those provided heretofore.

In parallel with increased investment, Irish Water plans investment consistently across its asset base, rather than on the basis of the large-scale, one-off investments made in the past. As

well as savings on capital projects, Irish Water is reducing day-to-day expenditure. Year on year, Irish Water has reduced operational costs by 7% since 2014. It is standardising the way operations are conducted and implementing new initiatives to bring down costs. Among these savings is an expected €30 million saving in procurement efficiencies between 2014 and 2016.

The challenge now facing the Oireachtas is to decide, at the end of the deliberative process I will shortly outline, how to ensure the future funding model for public water services ensures that our national utility continues to make the progress we all want.

Having outlined the fundamental reasons reform and greater investment are needed and the difference reform is beginning to make, I propose to set out the steps the Government will take to facilitate a comprehensive deliberative process on the future funding of domestic water services. Having published this Bill to provide for the suspension of domestic water charges, I will shortly establish an expert commission to examine and make recommendations on the sustainable long-term funding model for the delivery of domestic water and wastewater services by Irish Water. Earlier this month, I sought applications for membership of the commission and I thank all who responded and expressed an interest. I will announce the membership of the commission very shortly, hopefully, towards the end of next week.

In line with the confidence and supply arrangement agreed between the Government and Fianna Fáil, the draft terms of reference require the commission to make recommendations on the funding of domestic water services and improvements in water quality, taking into account the maintenance and investment needs of the water and waste system on a short, medium and long-term basis; proposals on how the national utility in State ownership would be able to borrow to invest in water infrastructure; the need to encourage water conservation, including through reviewing information campaigns on water conservation in other countries; Ireland's domestic and international environmental standards and obligations; the role of the economic regulator and Commission for Energy Regulation; and submissions from all interested parties.

The expert commission will endeavour to report back within five months. A special Oireachtas committee on the funding of domestic water services will debate the commission's recommendations and endeavour to place its own recommendations before this Oireachtas. This House and the Upper House will then consider and decide on the future funding model. This process should take not longer than nine months from the end of June this year. I ask that the House afford the commission and special Oireachtas committee the space in this nine-month window to independently put the facts, funding issues and their recommendations before the Oireachtas.

Notwithstanding the debate we are having on the future of domestic water charges and funding of domestic water and wastewater services, we recognise the need to improve Irish Water's transparency and accountability both to the Oireachtas and the public it serves. To achieve these objectives, it is the Government's intention to bring forward legislation in the autumn to establish an external advisory board for Irish Water. The board will be tasked with publishing advice to the Government and giving quarterly reports to an Oireachtas committee on Irish Water's performance on implementation of its business plan in the areas of cost reduction and efficiency; procurement; staffing policies; infrastructure delivery and leakage reduction; improvements in water quality; and the need for Irish Water to respond to the needs of communities and enterprise. We want information to flow independently in order that people can see the facts and how Irish Water's goals are being delivered over time.

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The board will play an important role in enhancing public confidence in the utility and ensuring it continues to improve the public water and wastewater systems in line with its business plan. Beyond the four walls of the Oireachtas, there is a need for a debate in wider society on the importance of water in our homes, to industry, particularly water intensive industries such as information and communications technology, pharmaceuticals and agrifood, which combined account for more than 200,000 jobs in the economy, and to our natural environment, including the cost of treating our water and wastewater. I hope the decision to have an assessment board and expert commission will help to depoliticise this issue. This is a difficult challenge as I know how political the issue has become. I also hope we will have a rational discussion and debate on a sensible model that we can believe in and that enjoys public trust. On the basis of the 2011 census, Irish Water's customer base accounts for about four-fifths of households in terms of drinking water supplies and about two-thirds of wastewater supplies. For households with a private well or those that are members of a group water scheme or with a septic tank, the reality of paying for water is certainly nothing new. When one adds the 64% of Irish Water's households that have paid water charges in respect of 2015, this means that some three-quarters of households have paid for water in the past year. Suspending charges will have implications for such households. In line with the confidence and supply arrangement, I intend restoring Exchequer funding to group water schemes to pre-2015 levels for the nine-month period of suspension of domestic water charges. This will restore parity of approach towards group scheme members and Irish Water customers regarding the cost of water services. I intend to revise the grant levels for new group water schemes and the refurbishment of private wells. I will announce details of these measures in due course.

This is a short Bill with the specific purpose of suspending domestic water charges to allow for the deliberative process I have outlined to be undertaken. I will now outline the purpose and operation of each section.

Section 1 sets out the definitions for terms used in the Bill. Section 2 provides for the suspension of domestic water charges, except for connection charges, for a period of nine months, commencing on 1 April 2016. The section also provides for a prohibition on Irish Water billing domestic customers for water services between the commencement of the Act and 31 March 2017 - that is, the billing period for 1 April 2016 to 31 December 2016 - or at any future time in respect of the nine-month period of suspension.

I understand there may be some confusion caused by the fact that Irish Water bills for its charging period a quarter in arrears. I refer to the utility bills for the three-month liability incurred for water charges in the following quarter. To deal with the difference between the charging and billing periods, the Bill provides that charging be suspended from 1 April 2016 to 31 December 2016. This is to ensure water services are not billed by Irish Water in the nine-month period from 1 July 2016 to 31 March 2017. To avoid any confusion in relation to this matter, and subject to the advice of the Attorney General, I am willing to bring forward a Government amendment on Committee Stage of the Bill to further clarify the charging suspension period and thereby to allay any concerns that liability for domestic water charges may be reintroduced before the finalisation of the deliberative processes and the Oireachtas decision on the future funding model for public water services.

Let me explain so everybody is clear. Up to now, people pay bills three months after they are incurred. In other words, the bills people are paying now, up until the end of June, are for charges incurred in the first quarter of this year. The initial thinking was that if we suspend charges, we effectively need to suspend bills so as to create space for discussion without the

fractious issues that arise in respect of charging and the campaigns against it. To have no billing between 1 July through to the end of March 2017 was the intention. However, to avoid any confusion regarding the difference in time between billing and charging, we will try to parallel the two. In other words, we will be suspending charging and billing, subject to the advice of the Attorney General, through a very brief amendment in this legislation. This will ensure everybody is clear that he or she is not being charged between 1 July 2016 and the end of March next year. If anybody wants further clarification on that, we can give it.

Deputy Paul Murphy: And they will not receive bills for the preceding three months in that period?

Deputy Simon Coveney: Exactly. Otherwise, were we to have had the billing and charging period in the same nine months, we would have had to ask people to pay bills in, say, September that would have been incurred in the second quarter of this year. Clearly, we do not want to do that. We want to try to have a nine-month period in which there is no charging or billing and in which we can put a commission in place that will make recommendations and in which we can have a proper discussion at a meeting of an Oireachtas committee, to which I hope all members will contribute. We can make recommendations after that discussion. I want to create that window without the distraction of charging and billing in the relevant period. I hope people will not try to twist those words, because this is a genuine effort to ensure there is clarity for customers. To be fair, Deputy Cowen raised concerns over this issue when he saw the initial draft we are now debating.

The section also provides that I, as the Minister for the Environment, Community and Local Government, shall extend the nine-month period of suspension by way of ministerial order for a further period if I am satisfied that an Oireachtas committee established to examine the issue of funding of domestic public water services will not conclude its work by 31 March 2017. In this context, and again subject to the advice of the Attorney General, I intend to further clarify this provision on Committee Stage to provide for the Oireachtas committee to request an extension of time in order to facilitate it in the completion of its work. The legislation, as it stands, states that if the Minister is satisfied that the committee needs more time, he or she can extend the period by ministerial order. I will be adding a short amount of extra wording referring to the Minister's having to be satisfied that the committee needs more time to work. If the committee asks for more time, obviously the Minister may have the power to extend the time period.

The Minister may also extend the suspension, by order, to enable the Government to consider the recommendations of the Oireachtas committee. Under the section, Irish Water shall be prohibited from billing domestic customers for water services during any period of extension of the suspension of water charges from the commencement of the Act to 31 March 2017, or at any future time.

The section also provides that Irish Water shall not include the period of suspension of domestic water charges in calculating the time period of unpaid water charges for which a late payment charge applies. I believe this to be a reasonable approach, as the suspension period will be excluded in calculating late-payment charges for those with outstanding bills to be paid. I am anxious to ensure that, if we are freezing charges, we need to be freezing the period during which penalties are calculated. What we do not want is a freezing of charges with a ratcheting up of penalties during the freeze period. This is a freeze period for everything, including billing, charging and penalties. It is an effort by the Government to try to create the space we need to come up with sensible, rational and informed decisions on funding models at the end of the

period.

Section 3 is a standard provision to provide for the Short Title of the Act, which is to be cited as the Water Services (Amendment) Act 2016.

There are many pressures and demands on the public purse. This is also the case in respect of our public water and wastewater systems. I have already mentioned those of an increasing population, a growing economy and a changing climate. Various EU directives, such as the Water Framework Directive, place requirements on us to put in place measures to improve water quality in our rivers, lakes, canals and coasts.

11 o'clock

These require ongoing investment and new initiatives and approaches to delivery of quality water services. The Urban Wastewater Treatment Directive, on which there is currently an infringement case against Ireland in respect of more than 70 wastewater issues, demands a significant increase in wastewater infrastructure investment. Fines will follow if we do not respond comprehensively.

To address these pressures and demands to fulfil our EU requirements, we need to invest in infrastructure and improve our systems for delivery, both immediately and continuously in the years ahead. We must commit to comprehensive future investment in water services to ensure our families, communities, farms and businesses have clean, reliable water supplies and the appropriate level of wastewater treatment to protect our water systems. These are essential to improving public health and quality of life and in facilitating economic and demographic growth.

This Bill will suspend domestic water charges for at least nine months to provide the space for a reasoned debate on the future funding of our public water services. We need to use this opportunity to ensure questions as to the sources and levels of investment are answered once and for all. I hope we all want the same ends, which is to ensure we can have a water delivery system and a wastewater treatment system which has the support of the public as well as the majority of this House. It is a challenge to do that because this issue has divided parties and individuals within parties in a significant way in recent years. My efforts over the next nine months will be to try to work on the points on which we can agree rather than focus on those which clearly divided us aggressively. I hope other Members will approach this from the same perspective.

I will not shirk away from supporting the recommendations I believe to be right in terms of providing a quality water supply, appropriate wastewater treatment and the funding models which can deliver that into the future. That is my job as Minister and our job in government. It is also our job, in the context of a different political environment and being a minority Government, to try to create enough consensus on a package of measures, which will be proposed at the end of this process, agreed on the floor of this House. I look forward to that process and working with everybody who is interested in being constructive in those efforts.

An Ceann Comhairle: I understand Deputy Cowen is sharing time with Deputies Mary Butler and Shane Cassells.

Deputy Barry Cowen: Fianna Fáil will be supporting this Bill, subject to the clarifying amendments to which the Minister alluded around the date on which the suspension commences and ends and subject to the recommendations of the committee for an extension of time and

the potential for the Minister to grant that.

This Bill reflects the first part of the Fianna Fáil agreement in facilitating a minority Government. It will see water charges immediately suspended and their future decided by the Dáil, and no one else. In addition, Irish Water will remain in public ownership. Water charges have failed. In 2015, for example, only 53% of bills were paid, with an annual revenue of €144 million on this basis. Up to €100 million was then spent on the water grant - the conservation grant as it is known - while €41 million is due in interest repayments over the year and another €25 million on administration costs. On this basis, the State will lose €22 million in total on its water charges regime in 2015.

We need to end this failed regime and move on from this issue. Now is the time to give a window of opportunity to create a pathway to the potential ending of water charges, resolve Irish Water and move on to other serious political issues, which need our attention. This Bill allows for that and will help also to ensure a stable Government. Contrary to media reports that the European Commission has not said that Ireland must impose water charges, it actually reaffirms that established practice allows for derogation. Our legal advice on a 2010 reply to the then MEP, Deputy Alan Kelly, indicates this and indicates it refers to 2003 when the directive was first transposed into Irish law.

Deputy Simon Coveney: That is not true.

Deputy Barry Cowen: In any case, all of these issues will be considered by the expert commission and the special Oireachtas committee before the Dáil votes on the issue.

The Bill, as the Minister said, enables a nine-month suspension of water charges with an additional provision for the extension of that period to enable the special Oireachtas committee to complete its work. The suspension period comes into effect from 1 July. The Government, as I have said, will produce further amendments to the Bill, ensuring the suspension period is in tandem with the timeframe for the expert commission and the Oireachtas work on the issue. Our support for the Bill, obviously, is conditional and I accept the Minister's bona fides on this issue.

No new bills will be liable until after 31 March 2017, by which time the Dáil is due to have voted on the future of water charges, having considered the expert commission report and the recommendations of the special Oireachtas committee. In effect, water charges are gone until the Dáil votes on this matter and decides on it. The Minister can extend the suspension period beyond 31 March 2017, if necessary, until the work of the committee is concluded and the Dáil has sufficient time to consider and vote upon its recommendations. Fianna Fáil's support for the minority Government is contingent on the Minister granting sufficient time for the committee to conclude and a Dáil vote to be held.

Water was only one of several issues before Fianna Fáil agreed to facilitate a minority Government. However, it was necessary to be resolved in detail or else the Government would have immediately collapsed under opposition motions of no confidence from other parties. Under this Bill, water charges will be immediately suspended. In the interim period, an expert commission will report on the best methods to fund services and the Dáil committee will make its recommendations. The Government will facilitate whatever option a majority of the Dáil endorses. The Bill effectively allows for water charges only to come back into the economic and social domain if the Dáil agrees.

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What will happen to those who have paid and those who have not paid? There will be an equality of treatment for all bill payers. All overdue bills are a legal charge and should be paid. The issue of what will happen to non-payers must be fully addressed by the Dáil committee in the recommendations for the Government.

What will happen to Irish Water? It will be subjected to a new oversight body and remain in public ownership. This will keep down costs and ensure greater efficiency. The Minister has alluded to the fact that the board it has put in place will be tasked with publishing evidence to the Government. It will also give quarterly reports to an Oireachtas committee on Irish Water's performance and implementation of its business plan in the areas of cost reduction and efficiency, procurement, staffing policies, infrastructure delivery and leakage reduction, improvements in water quality and the need for Irish Water to respond to the needs of communities and enterprise.

There is no doubt it is a compromise on what we had outlined in our manifesto. However, it is a move forward to ensure our water services are delivered safely and efficiently. Ultimately, this is what people are interested in. They are not interested in new names or reorganisations. We have achieved the central aims of our manifesto, namely, to create a pathway to effectively end water charges and reform how we deliver water services.

If the Oireachtas feels a constitutional amendment is necessary to protect water in public ownership, we will explore it. We need to be clear around the wording of any such amendment with regard to private wells and group water schemes. On the European Commission stance on other charges, in reply to a parliamentary question from Sinn Féin MEP, Lynn Boylan, it stated the flexibility of derogation under article 9 of the 2000 Water Framework Directive applies only to established practice. The reply confirms the central role of established practice under article 9(4) of the 2000 Water Framework Directive. The former Minister, Deputy Alan Kelly, asked a question in 2010 about established practice and the Commission replied that it referred to the date on which the framework was put in place. The reply stated, "Article 9(4) provides the possibility for Member States not to apply the provisions of Article 9(1) to a given water-use activity where this is an established practice at the time of the adoption of the directive". In Ireland, the directive was adopted in 2003, when established practice was to pay for water via general taxation. According to our legal advice, this remains a basis on which Ireland can decline to impose water charges.

The flexibility of member states was confirmed on 5 December 2014 in a reply to a parliamentary question by Ms Nessa Childers, MEP. The Commission stated:

The responsibility for implementation of the Water Framework Directive (WFD)(1) lies with the Member States and there is no obligation to follow particular schemes or methods... There is no specific requirement in Article 9 of the WFD for cost recovery to rely on individual consumption.

In previous court cases taken by the Commission, it has lost in any effort to impose a stringent definition of the directive. This important legal precedent must be recognised. The European Commission took Germany to court for granting relief from water charges to hydro-electric power firms and certain other industries. The European Court of Justice ruled against the Commission, noting that the directive does not seek to achieve complete harmonisation of the rules of member states concerning water. The claim by the former Minister, Deputy Alan Kelly, that the river basin management scheme in 2010 got rid of the derogation is nothing

more than a red herring and I confront him to respond here or anywhere else. Our legal advice indicates that “established practice” refers to 2003, not 2010. These issues will be dealt with by the expert commission and the special Oireachtas committee, and the Dáil will consider it and any other relevant information when it votes to end water charges. It will not be considered economic or environmental treason for the Dáil to make this decision, contrary to the comments of the former Minister, Deputy Alan Kelly.

On a personal note, Deputy Alan Kelly made a statement about a former politician accusing a previous Taoiseach of economic treason. It was never retracted, to my dismay and that of many others. The person who made the allegation does not feel it was the right thing to say, and it has been proven that it was the wrong thing to say. If I expected anyone in the House to bring it up again, it would have been Deputy Alan Kelly.

In contrast to Fianna Fáil, Sinn Féin, the Anti-Austerity Alliance and People Before Profit refused to engage in Government formation. They are content to shout from the sidelines and offer no solutions.

Deputy Paul Murphy: We are the only reason water charges are being challenged.

Deputy Barry Cowen: Sinn Féin MEPs voted in favour of water charges in the European Parliament.

Deputy Eoin Ó Broin: Not true.

Deputy Barry Cowen: Not true. In September 2015, their MEPs voted in favour of “Providing for the application of a progressive charge that is proportional to the amount of water used.” What do you call that? Is it not water charges, or are you that detached that you do not know?

Deputy Eoin Ó Broin: It is by way of general taxation.

An Ceann Comhairle: Direct your remarks through the Chair please, Deputy Cowen.

Deputy Barry Cowen: Sinn Féin’s official position when it goes abroad is that it supports water charges.

Deputy Eoin Ó Broin: It is not true at all.

Deputy Barry Cowen: Sinn Féin members say one thing in Europe and another when they come home. Meanwhile, their leaders could not make up their minds whether to pay for water charges in their holiday homes. This is more hypocrisy from Sinn Féin, topped off by its manifesto which falsely claimed that families saved €260 under Sinn Féin’s water proposals. From 2007 to 2011, the then Sinn Féin Minister for Regional Development, Conor Murphy, had the opportunity to reverse water metering but made no attempt to do so.

Deputy Eoin Ó Broin: Not true, again.

Deputy Barry Cowen: Under his watch, a comprehensive water metering programme took place across domestic properties in Northern Ireland. Sinn Féin Axe the Tax document from September 2014 indicated that, under its proposals, Irish Water would be funded by private equity, which is effectively shareholders or privatisation. Does Deputy Eoin Ó Broin understand that? What does “funded by private equity” relate to? Sinn Féin’s policy would maintain the

super quango and then privatise it. A private entity would, inevitably, introduce water charges, exposing the hole at the heart of Sinn Féin's water charges proposals.

In recent weeks, Sinn Féin has again been at odds over whether it supports a public utility, with Deputy Eoin Ó Broin saying one thing only to be directly contradicted by Deputy Gerry Adams. Opposition Bills on water charges have had no legal force. It requires a Government-sponsored Bill to get rid of water charges, given that it is a money Bill under the Constitution. Hence the need for this legislation, and this legislation only. Fianna Fáil has secured this in our arrangement with Fine Gael in order to facilitate a minority Government.

Ireland faces a range of issues, not simply the water argument. Dáil Éireann is obliged to confront these matters, many of which have been superseded today in response to the UK's decision to exit the EU. There are many issues to be confronted regarding the health service. We have an emergency on our hands in housing. Others issues are the future of education, how crime is policed and how our force is funded and equipped. They require political commitment. I accept we need to solve the water situation and move on.

Fianna Fáil is committed to giving practical effect to the manifesto we put before the people and the votes that were cast in our favour by those who trusted us to ensure there was a pathway to deliver and resolve the issue, while acknowledging the result of the Irish people in putting its numbers before the House in order for a Government to be formed and facilitating the provision of a stable minority Government to ensure the country is given the leadership it deserves, has sought and requires to tackle the other challenges we face. We are committed to ending the failed water charge regime. The Minister and his colleagues are culpable in it.

The country and the people have spoken on the Government's performance and the configuration of the Dáil. Ultimately, the Dáil has decided to put a Government in place which must tackle the issues I have outlined in addition to this one, and tackle them it will. The new politics that has been spoken about and the responsibility we have must be recognised, not the opportunism on the part of Sinn Féin and others regarding motions put before the House in recent weeks simply to gain politically opportunist rhetoric and nothing else. Nothing has changed in the way Sinn Féin wants to do politics. Sinn Féin wants to give the impression it can get out there again as quickly as possible in order to obtain a majority that would put it in government. However, Sinn Féin would run a mile from Government. All its members have said and done during recent weeks confirms this. Long may Sinn Féin be isolated from Government, as far as I and many of my colleagues are concerned.

We are committed to ending water charges. We have put a clear pathway in place in order for the Dáil to decide, and it is far from what Sinn Féin has put before the Dáil regarding failed entities and the failed legal basis of any motions it has put before the House. We want to ensure the country has a responsible Government that is able to tackle issues other than this one. While it is an important issue, it does not have total or absolute importance. I expect and hope, and put every trust in the committee that has been put in place, subject to the expert commission making recommendations to it, and every faith thereafter in those who have been elected to make a decision on the issue and move on while dealing with other issues.

Ultimately, the people will decide who will form a Government after this one expires. Whether it is stable or not, we will go before the people having taken our responsibilities seriously, adjudged and put preference on issues that need to be resolved, including this one. We have to put the legislation in place in the way in which it is framed in order for other issues to be

dealt with. I commend the Bill to the House. I expect, on Committee Stage, the Minister will address the two issues on which we have sought amendment and clarity to ensure the agreement we put in place to facilitate the formation of Government, and the political agreement therein, is recognised in the Bill.

Deputy Mary Butler: I thank Deputy Cowen for sharing time. While this is far from the most important issue facing our country, when one considers the housing and homelessness crisis, health problems and the decision in the UK referendum last night to exit the EU and the trade repercussions that will have domestically, the handling of water services in recent years represents a dramatic public policy fiasco. It is also one of the few areas on which there was a substantial policy debate during the election and a decisive result in favour of ending current policy. People engaged with politicians, some more boisterously than others. We can all remember the then Tánaiste being captured in her car during a protest. However, the message is loud and clear: Irish Water in its current form is a fiasco. Boil water notices still affect 5,000 homes in County Roscommon while similar notices have been put in place in recent months in Loughrea, County Galway and Whitegate, east Cork. The outgoing Government's policy was to allow Irish Water massive commercial freedom even though it would be funded primarily by direct State subvention and would take many years to bring services to the level it defines as acceptable. Had Irish Water been a State agency, the uncontrolled expansion of management, the bonus culture, the waste, the secrecy, the massive increasing payments for lobbying and many other practices would not have been possible. Equally, the disdain for democratic accountability would never have been allowed.

We need to end this failed regime and move on from this issue once and for all. Water charges have failed miserably. In 2015, only 53% of bills were paid with annual revenue of €144 million. A total of €100 million was spent on the water conservation grant. Where else in the world could people run their taps all night and be rewarded with a €100 conservation grant? That does not add up and I often wonder how many who claimed the grant did not pay charges. When all costs are factored in, namely, €550 million on water meters that are not in use, €172 million on setting up Irish Water and €46 million on running it, the Government's creation of Irish Water will leave the taxpayer €750 million worse off this year than if it had not been set up at all.

I am amazed at the lack of Members in the Chamber. The issue of Irish Water was huge during the election and I am surprised only three Sinn Féin Members are present as we debate the issue, given that they made so much noise about it during the election. The Bill reflects the first part of the Fianna Fáil agreement to facilitate a minority Government, which will result in the immediate suspension of water charges and the future of Irish Water being decided by the House. It is the effective end of water charges and this is the result of our negotiations in facilitating a Fine Gael-led minority Government. While Sinn Féin, the Labour Party, People Before Profit and the Anti-Austerity Alliance sat on their hands and did not get involved in Government formation, we engaged, debated and gave value for our vote. We represented the voters and made sure water charges would be resigned to the scrapheap. In addition, and most importantly, Irish Water will remain in public ownership.

The hypocrisy of Sinn Féin on water is unbelievable. Deputy Cowen alluded to this but it is worth mentioning again. In September 2015, its MEPs voted in favour of "providing for the application of a progressive charge that is proportional to the amount of water used". It is clear the party's official position is different when its members get on a plane and go abroad - one policy for Europe, one policy at home. In Northern Ireland, when regional development Minister,

Conor Murphy, had the opportunity to reverse water metering, a comprehensive water metering programme took place across domestic homes - one policy for Northern Ireland, one policy at home. In recent weeks, the party has been at odds over whether it supports a public utility, with Deputy Eoin Ó Broin saying one thing only to be directly contradicted by party leader, Deputy Gerry Adams - two different policies at home. I refer to the Bill recently tabled by Sinn Féin, which had no legal force. A money Bill is necessary under the Constitution to get rid of water charges and this can only be tabled by the Government. Instead, we witnessed grandstanding and playing to the gallery at its best.

I move on to what we, in Fianna Fáil, have achieved in respect of Irish Water. The suspension of water charges begins next Friday, 1 July, and an expert commission will be established on the same day. On 1 March 2017, a special Oireachtas committee report will be published while on 1 April 2017, the House will vote on the recommendations. In a nutshell, this means water charges in their current form will be at an end. Fianna Fáil is committed to giving practical effect to its manifesto and facilitating a stable minority Government to ensure the country is given the leadership it requires to tackle the challenges it faces. We are committed to ending the failed water charges regime. Now is the time to give a window of opportunity to end water charges, resolve Irish Water and move on the other serious political issues that need our attention.

Deputy Ruth Coppinger: On a point of order, during the previous contribution, the word “captured” was used. A trial relating to those matters is coming up. The Deputy should withdraw that word.

An Ceann Comhairle: “Captured”?

Deputy Ruth Coppinger: Yes. She said the former Tánaiste was “captured” in her car. A trial is coming up and Deputies should not try to poison the outcome by using words such as that. The Ceann Comhairle should ask the Deputy to withdraw the remark.

Deputy Mary Butler: I will withdraw the word and have the record amended to say “surrounded”.

Deputy Ruth Coppinger: I thank the Deputy.

An Ceann Comhairle: I also thank the Deputy for facilitating us in that way.

Deputy Shane Cassells: Reflecting on the debates in this Chamber over the past week, we started out with the uncertainty around the domestic hot potato of bin charges and we arrived in the House this morning at the end of the week amid the seismic news of Britain’s exit from the EU and the massive reverberations being felt. While that news will dominate not only every news cycle and every coffee shop and bar stool conversation in the coming days, water is a topic that has equally dominated conversations in households throughout this country over the past few years. However, certainty is being brought to this contentious issue on a morning of such uncertainty because we are ensuring the elimination of a charge that households did not support and against which people clearly demonstrated their anger. The charge is not just being suspended; it is being lowered into the grave. While Lazarus had Jesus to help him out and bring him back to life, there will be no resurrection for water charges bar the Members of this Chamber voting them back in and considering there is an equal disdain for prayer in this Chamber, there is little hope of divine inspiration for them either.

We now have a period to review the entire system, which was botched in the first instance because of the rushed establishment of this entity without proper debate. The system has no public confidence. As Deputy Cowen stated, only half the bills were paid last year with revenue of €144 million. When the water grant and interest and administration costs are added together, the company suffered a loss. I have listened for a long time to people saying Irish Water was needed because its staff were the only ones who could deliver the water services required. The Minister mentioned that again in his contribution but I have always found that argument disrespectful to the expertise of the local authority water services staff who did such a fantastic job, and in stark contrast to what is happening now, they knew what was happening on the ground.

Deputy Simon Coveney: The results were disastrous.

Deputy Shane Cassells: I have dealt with engineers who know the water systems in towns across their county like the back of their hand but some of the messing I have witnessed over the past two years has been unreal.

An even worse scenario has been developing in the manner in which Irish Water is dealing with the wastewater services across this country. I am glad the Minister alluded to that in his speech this morning. This is not just an issue of money but it also one of attitude and Irish Water's approach, in particular, to housing estates around this country from the start of this year. It is simply abdicating responsibility for issues that are now being faced by households. Hitherto the local authority would help people experiencing problems but they are now being left to fend for themselves. Irish Water will not go into gardens and help in instances where raw sewage has come up on people's lawns, not due to problems created by the households but due to problems experienced somewhere else down the line. Irish Water has simply washed its hands of it, even though the local councils would have helped those households in the past. That is happening in old housing estates throughout the country.

I dealt with a young father on Monday. There is a sewage problem in his estate and he has corresponded with Irish Water to say that he and his neighbours will pay for it to be dealt with but they need Irish Water to help. He is considering leaving his property, along with his wife and young children, and simply let the sewage flow out on to the street to see if someone will help. It has nothing to do with money. It is simply about the attitude of Irish Water in how it is approaching all of these problems.

Public confidence was mentioned but there is none. I have given a prime example of why there is none. There is not even confidence among the 50% of people who paid their bills. For those of us who have paid the bills, there is a very real need, as Deputy Cowen has said, to see that everyone is treated equally and with fairness and that this issue is looked at seriously by the commission. Those who have been compliant need fairness. Everybody involved in the process deserves that. I agree with the Minister when he speaks of the required investment in our water services but the money squandered by Irish Water was not the way to do it. I reiterate that I have the first-hand experience of seeing how local authorities delivered a quality water service in so many areas.

I hope we wisely take the opportunity we now have to look at everything in a calm manner. I hope we reflect on this system which was rushed and botched in the first instance. Now we have the space and time to look at it properly and in depth, to ensure we get a quality service that works for the people and to pay for the soul of water charges.

24 June 2016

An Ceann Comhairle: The next speaker is Deputy Eoin Ó Broin, who is sharing time with Deputies Donnchadh Ó Laoghaire, Denise Mitchell and John Brady.

Deputy Eoin Ó Broin: In deference to the Minister, I will do my very best to be rational. I cannot guarantee, however, that I will not be political. Deputy Cowen always seems to leave the Chamber just before I start talking. As I was listening to him, I was thinking how it would have been great if Deputy Cowen had been in government in the past and we would not be in the difficulties we are currently in. Then, of course, I remembered that he was a Member of this House when water charges were agreed and the framework that eventually led to Irish Water was put in place.

I thank Deputy Butler for her concern as to the whereabouts of the rest of the Sinn Féin Members. Let me assure the Deputy that they are out in their constituencies doing exactly what they were elected to do, which is to try to make the lives of their constituents in this country better.

On the subject in hand, finally we can see what new politics looks like. In fact, there is nothing new about it at all. It is the old politics of fudge, of kicking difficult issues into touch, of avoiding taking the right decisions, of enabling Fianna Fáil to bide some time until the polls suggest a general election would be more advantageous to them and of allowing Fine Gael to cling on to power for as long as possible. The Bill we are debating is part of - I do not apologise for using this phrase - a grubby little deal between Fianna Fáil and Fine Gael. It is the glue that binds together what is essentially a coalition between these two parties. It is worth reminding people what that deal contains. It does not propose the abolition of Irish Water nor does it guarantee the end of water charges. All it provides for, as this Bill states and as the Minister outlined, is a temporary suspension of the charge and the establishment of an expert commission.

The gap between that deal and the manifesto commitments of Fianna Fáil is enormous. Irish Water remains despite four explicit manifesto commitments by Fianna Fáil to abolish the entity. Contrary to the claim made by Deputy Cowen today, the expert commission does not provide a clear path for an end to water charges. All the suspension and commission do is buy time.

The Bill suspends the charge from April to December. It suspends billing from June until March and I accept the Minister's outline of that. However, it is silent on arrears from the first year of charges and on bills. Will Irish Water be pursuing these bills? Will it continue, as it is currently doing, to send threatening letters to those who cannot or will not pay? What most people want to hear from the Minister today is that all billing and metering will stop and that charging will only recommence through a vote of this House. If the Minister replies at the end of the Second Stage debate, he can clarify my reading of the Bill. As I read it, after the end of the suspension period as outlined, unless legislation is brought forward to continue the suspension, the charges will automatically return. I would appreciate it if the Minister could clarify that because that is my reading of the text of the Bill.

Despite the fact that Sinn Féin sees this Bill as a fudge, we will support it. However, nobody should be under any misunderstanding that this represents a shift in our position. We want an end to domestic water charges. We want the public ownership of water and water services enshrined in the Constitution. We want water services to be delivered by a democratic and accountable public body. We want water to be delivered on the basis of need and not the ability to pay. We will not rest until these objectives are achieved.

I thank Fianna Fáil for taking such interest in the work of Conor Murphy MLA and the Sinn Féin Assembly team. Let me correct the record because it is important that our colleagues in Fine Gael clearly understand what happens in that part of our country. What Conor Murphy MLA did when he took over the Ministry for regional development was that he stopped the introduction of water charges. Domestic water charges have not been reintroduced since. He stopped the privatisation of the water services. Contrary to the claims of both Fianna Fáil Deputies, he actively sought to stop the metering programme but, unfortunately, his replacement in the relevant Ministry from the Ulster Unionist Party would not bring forward the necessary legislation. Thankfully, due to Sinn Féin pressure and pressure from trade unions and campaign groups on the ground, that metering programme has stopped. To clarify again for Fianna Fáil, Lynn Boylan MEP's water report explicitly references payment regimes, including general taxation or regional taxation as exists, for example, in Scotland and, indeed, the North.

Having said all of that, the Bill before us will pass next week. I have no doubt about that. The focus will then turn to the expert commission. This is another example of so-called "new politics". The Minister published the terms of reference without consultation with the rest of us in this House. I presume there was some consultation with Fianna Fáil. Giving people five working days to express an interest in becoming part of the commission is too short by any reasonable estimation. That period of time should be extended. The more substantive point I wish to make is that the terms of reference are simply too restrictive. They focus solely on the financing of domestic water services in the main. They are clearly directional, particularly the second of the terms of reference, which pushes the commission in the direction of off-balance sheet models of finance which can only be achieved through the reintroduction of water charges.

References to conservation in the terms of reference are minimal. This is not a comprehensive commission to look at the future of water and sanitation services. It is simply a ruse designed to deliver a predetermined outcome. Sinn Féin's view, as I am sure the Minister knows, is that these terms of reference should be expanded. The commission should be tasked to look at the funding and delivery of all water and sanitation services. It should be asked to examine issues of water poverty and poverty-proof any proposals it makes back to the Oireachtas. It should have a greater remit for outlining recommendations for water conservation. It should have an input from professionals with regulatory, operational, management and environmental expertise from water and other utilities. It should have economic and academic expertise, expertise on worker's rights and consumer interests as well as anti-poverty advocacy and policy expertise. I genuinely urge the Minister to take these points on board and revisit the terms of reference.

In recent weeks there has been much talk about the Water Framework Directive and the exemption from charges in Article 9.4. It is good to know that Deputy Cowen can understand some Sinn Féin documents correctly and I am glad he quoted Lynn Boylan MEP in his comments on the directive. It was the only part of his speech with which I agreed. There has been much spinning by other politicians and off-the-record briefings by unnamed Commission officials from sections of the Commission that have nothing to do with the decisions on the application of the Water Framework Directive. There has also been misreporting by a small number of lazy journalists.

The directive and the on-the-record responses from the relevant section of the Commission on this issue are very clear. The Government can seek to invoke Article 9.4. If it does, it must do so in the context of the second river basin management plan which is currently being drafted and to which we will make a submission. That plan must satisfy the Commission that it can

meet the overall objectives of the directive without domestic water charges. If one has the right delivery model and funding model, that is eminently achievable.

Deputy Simon Coveney: We must be careful to ensure we are not misrepresenting the Commission's position.

Deputy Eoin Ó Broin: The Commission's position is very clear and on the record. It is the off-the-record briefings that are causing confusion on this matter.

Deputy Simon Coveney: The Deputy should be careful not to mislead people.

Deputy Eoin Ó Broin: If the letter the Minister recently received from the Commission sheds any light on that, the Minister should lay it before the Dáil so we can all have the benefit of the information the Minister received from the Commission in private.

The central problem of our water and sanitation services is not wasteful domestic usage. In fact, Irish Water says that our domestic usage is low by European standards. It is also not because we do not have water charges. It is the direct result of decades of under-investment by Fianna Fáil, Fine Gael and the Labour Party in this vital public service. I am glad the Minister acknowledged that in his remarks. Unlike his colleagues in Fianna Fáil, he recognises the past mistakes of his party in government. The environmental treason is the decision of successive Governments to refuse to invest in the service. That problem remains. This year the Government has allocated only approximately €500 million for Irish Water's capital investment programme and not much more for next year. This is the same Government that wishes to deprive the Exchequer of approximately €5 billion in the lifetime of the Government by abolishing the universal social charge, USC.

The crux of the problem is that this Government does not wish to invest directly in water and sanitation services. It has chosen tax cuts over investment not just in this service but in all public services. At the same time the Government, due to its and Fianna Fáil's failure, faces huge potential fines from the European Commission for breaches of water-related directives, so it must get Irish Water off balance sheet to enable it to borrow. That requires water charges so, in turn, hard-pressed families must be forced to pay for the bad decisions of inept politicians.

Deputy Simon Coveney: The Deputy is misinformed. We are not trying to get Irish Water off balance sheet.

Deputy Eoin Ó Broin: Even here, the Government cannot get it right. EUROSTAT's judgment from July last year was a damning indictment of the failures of the last Government, and it will be a long time before EUROSTAT's view changes. If it is Fine Gael's policy to abandon the off-balance-sheet model for Irish Water, it should share that with the House, because it would be news to most Members on these benches.

The alternative to the failed water policy of Fianna Fáil, Fine Gael and the Labour Party has been outlined by the Right2Water movement: provide water on the basis of need, not ability to pay; fund it through general taxation; deliver it through a democratically accountable and transparent body working with the river basin management groups and local authorities; focus investment in the first instance on reducing the more than 40% wastage in the system; implement an ambitious capital programme to upgrade our water and sewerage system; meet the broad objectives of the Water Framework Directive; and, crucially, remain the only OECD country with zero water poverty.

The reason we are discussing this today is not due to new politics or the practical, pragmatic implementation of the manifestos of the government parties of Fianna Fáil or Fine Gael. It is due to the fact that hundreds of thousands of people marched, boycotted and voted on this issue over the last number of years. They forced Fianna Fáil, in particular, from its position of supporting the creation of Irish Water and introducing water charges to the current fudge position, which still confuses me each time I hear its members speak on it. It should be clear to Deputies on all sides of the House that this movement still exists. It is watching carefully what is happening in this House. There will be a huge electoral cost for any politician who advocated the abolition of Irish Water and water charges in the last general election and who breaks his or her word when these issues are finally voted on in the House.

Sinn Féin will keep its word. We will maintain the pressure on the Government to scrap the charge and implement a new water policy. We will not rest until we have achieved that end.

Deputy Donnchadh Ó Laoghaire: It is a pity Deputy Cowen was not present to hear the record being corrected. I enjoy the theatrics of the Fianna Fáil Deputies. There was talk of prayer and I was almost inclined to say an act of contrition for our part in putting water charges in place, or something to that effect.

The Bill before the House is another attempt to kick the can further down the road. Was the voice of the electorate not sufficiently evident? A freeze on charges is far from what the public wants. The majority of the public voted for abolition, not a commission or a suspension. *Chaith na daoine vóta le deireadh a chur leis na táillí uisce seo.* It is time members of the Government, lucky enough to still be in office, cleaned out their ears and listened to what the public has to say. Fianna Fáil and Fine Gael have almost been inseparable on this issue since the election. However, what Fianna Fáil is supporting now is a far cry from what it promised voters when its members knocked on doors in January and February.

Irish Water represents all that was wrong with the previous Government - waste, escalating taxes for struggling families and a lack of transparency. This Bill shows scant regard for the public. "Vote us in, and we will ensure things continue as they were," is a far more apt slogan than "Let's keep the recovery going," or "An Ireland for all." Sinn Féin has committed to abolishing water charges if given the mandate to go into government. We put forward a motion, supported by 39 Deputies, to give effect to that. Neither Fianna Fáil nor Fine Gael would support the motion as they were happy enough to have statements on the topic eventually. That may have been welcome, albeit an obvious attempt to appease voters. *Is mór an díomá a bhí orainn, agus sílim ar dhaoine a chaith vóta do Fhianna Fáil, nár thacaigh Fianna Fáil linn ar an dáta sin.*

The Bill does not do much to quell the fears of people who believe that they will be forced to pay twice for their water. Two thirds of motor tax paid in 2015 was pumped into Irish Water, as was much of the property tax, to keep that body afloat. It has been said time and again that Irish Water and water charges were the straw that broke the camel's back, but it bears repeating. Many people saw that when it came to saving money in the recession the cutbacks that occurred affected low and middle-income earners most. The extra taxation levied was focused on flat rates, stealth taxes and charges, affecting the same category of low and middle-income earners most. Many people felt that those at the top were not asked to contribute much extra and they considered that fundamentally unfair. In the meantime, services have been cut to the bone. During and since the election campaign the same mentality has been shown, with cuts to taxation prioritised over investment in services and the wrong taxes and charges being reconsidered.

However, people power has ensured that at least this charge is being reconsidered.

People have been to the pin of their collars and they have made their opposition to water charges clear time and again. That should be reflected in how we deal with the issue. A democracy represents the will of the people and their view is that the current situation must change, not by kicking the can down the road but by abolishing the charges. We all agree that our water services are in dire need of investment. Indeed, investment is badly needed in my and the Minister's constituency. I acknowledge the need for the lower harbour main drainage and I welcome it. Tá sé riachtanach agus cuirim fáilte roimh an infheistíocht atá á chur ar fáil. However, people who are hard pressed should not have to suffer for the State's failure in the upkeep of our water system. Tá siad faoi go leor brú cheana féin.

Our party put forward a manifesto which committed to additional investment in water infrastructure as part of an investment plan worth €2.2 billion more than the commitment of the previous Government. This would ensure that additional work could be done and that not only would Irish Water staff have jobs but additional jobs would be created in a new utility. We in Sinn Féin believe this can only be done by enshrining our water agency in public ownership, rather than it being sold down the river to those who wish to make a profit from it. This point is important. The commodification of water, one of our most fundamental needs since the dawn of time, is happening worldwide so who can possibly blame the Irish people for being concerned about this and for fighting it. We are told of many countries where charges exist, as if we must accept it as a virtue, but we are then asked to ignore that so many of these countries have seen it privatised, whether municipality by municipality or nationally. The issue of water poverty-----

Deputy Simon Coveney: No one is looking for the privatisation of Irish Water.

Deputy Ruth Coppinger: Of course not.

Deputy Donnchadh Ó Laoghaire: I am aware of that. The point I am making is that this is the clearest and strongest defence we would have. I am quite sure that in many other countries which have privatised water boards, either municipally or nationally, the same commitment was made, very likely in good faith but subsequently, ten or 15 years down the road, it was reversed as arguments were made that financially it was unsustainable and a drain on the taxpayer.

Deputy Simon Coveney: Local authorities have privatised their services.

Deputy Donnchadh Ó Laoghaire: The safest way to ensure it remains in public ownership is to ensure there is no profit motive-----

Deputy Eoin Ó Broin: Hear, hear.

Deputy Simon Coveney: Most of our treatment plants are in private ownership.

Deputy Donnchadh Ó Laoghaire: Water poverty has become an issue in places, and in the recent debate on our motion Deputy Ó Broin instanced Poland, where 10% suffer from water poverty, and the fact Ireland is the only state in the EU which does not suffer from water poverty. The fact is there are numerous threats from water charges, and the strongest manner of protecting water services is through continued public ownership.

The commission's terms of reference do not go far enough. The terms of reference should rule out the possibility of the reintroduction of water charges. The make up of the commission

is also important. It needs to be representative of labour and of the communities which made their voices heard so loudly during the course of the debate and which shaped the debate. As did Deputy Ó Broin, I call on them to ensure the issue of water charges does not return to the agenda at a later date.

Deputy Denise Mitchell: When I was elected to represent the people of Dublin Bay North, my first public statement called for the abolition of water charges and not the suspension of water charges. The majority of voters voted for the abolition of the water tax, not its deferment, postponement or suspension, but its abolition. The Right2Water movement was born out of people's frustration with the long line of unfair taxes imposed by the previous Government. Make no mistake, this frustration continues with the Bill.

I stood with my neighbours in the constituency to protest against the metering programme. I watched as fellow protesters were jailed for demonstrating against the meters. I do not recall ever seeing any member of Fianna Fáil at any of these protests. I stood for election on a platform to abolish water charges and to abolish this tax on a very basic amenity.

As charges were introduced through law created by members of the Government, the abolition of charges can be achieved by the Government through passing a law to abolish them and not a law to suspend them. I call on the Government to heed past motions tabled by Sinn Féin and other Members of the House, and to heed and remember what the people have said. It should also remember it is here to represent the people. I take this opportunity to remind other Members of the House of their election promises. I hope they are capable of them, as some are now in power with their Fine Gael brothers and sisters. The electorate made a choice last February, and Fianna Fáil should respect the mandate it was given by the people. It can prove to the people that it keeps its election promises.

The legal provision to set up a committee is just kicking the can down the road.

Deputy Mary Butler: Why is the Deputy supporting it so?

Deputy Denise Mitchell: I will continue. When the work of the group is done, what will happen next? Will we go back to water charges? Is the Government really hoping that during this nine months people will suddenly forget about water charges? We will be back to water charges and ordinary people suffering and facing hike upon hike in the cost of car insurance, child care costs and bin charges, to name but a few. I ask Members to remember the people they were put in here to represent.

Privatisation of water services is a very real concern. It is an issue which Sinn Féin has raised on many occasions. Will the Bill just park this issue down the road, merely to sedate the possible private interests which are all ready to devour this public Irish utility?

The issue of water charges must be put to bed. We need to move on. We have other crises, as the Minister knows, including in housing. We cannot have this coming back down the line in a few months. Water charges must go. The majority of voters voted for this, so let us do what we came here to do, which is to represent the people who put us here.

Deputy John Brady: Last week, I received a phone call from an old age pensioner named Stephen, who is from Arklow in my constituency of Wicklow. The day before he had buried his wife of many years. He had just received a bill from Irish Water demanding €324.64. I have a copy of this bill. The bill is this high not because of Stephen's excessive water usage, but be-

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cause he simply has not been in a position to pay for water since the outset. This bill followed a series of texts and phone calls from Irish Water. In one week alone he received nine phone calls from Irish Water, pressuring him into giving something he simply did not have.

Stephen is one of the 755,570 people living in poverty in this State. This is an unbelievable rise of 55,000 citizens since Fine Gael came into power in 2011. His plight and the plight of many of the most vulnerable in society have come under constant attack from the Government and its regressive policies. The abolition of the bereavement grant in 2013 was one of the meanest, most ruthless and uncompassionate cuts imposed by the Minister's party. It has made it very difficult, if not impossible, for people such as Stephen to bury their loved ones with dignity.

The elderly have seen the abolition of the telephone allowance, which was a lifeline, especially for those living alone in rural Ireland. They have seen increased prescription charges, which have left many picking and choosing which medication they can and cannot have. They have seen a reduction in household benefits and a cut in the fuel allowance from 32 weeks to 26 weeks, which has had a devastating impact on people such as Stephen throughout the State. At present, Ireland has the largest levels of excess winter mortality in Europe, with an estimated 2,800 excess deaths each winter. The imposition of water charges has compounded the hardship on some of the most vulnerable people in our society and has impacted disproportionately on low income households. While the Government can talk about GDP growth and being the fastest growing economy in Europe, we are also a country where 1.3 million people experience deprivation. According to CSO figures, 750,000 people live in poverty in this State. In research carried out by the trade union, Mandate, one in ten people in the State experience food poverty, which is almost 500,000 citizens.

12 o'clock

The terms of reference for the expert commission need to be expanded to include issues such as how best to avoid water poverty. Where water charges have been introduced, water poverty levels have escalated. Almost a quarter of households in England and Wales experience some levels of water poverty due to water charges imposed on people there. Water is a basic human right, not a commodity. Stephen and his recently deceased wife were two of many thousands of people who marched in Wicklow and across the State, not for a suspension of water charges but for their total abolition.

I have a message for Fianna Fáil. Stephen also revealed to me in conversation last week that he felt he was hoodwinked, particularly by Fianna Fáil, as he voted for them in the general election, believing they would follow through on their manifesto promising to scrap water charges.

Deputy Mary Butler: If in government.

Deputy John Brady: That is something he was very embarrassed to admit to me. It is not too late for those in Fianna Fáil to do the right thing and stand by their election promise to get rid of Irish Water and water charges once and for all.

Many people, through intimidation and coercion, reluctantly paid their water charges, effectively paying a third time for a basic human right. These payments must be repaid to anyone who has paid this tax and I am calling on the Minister to initiate that process with immediate effect. It is also critically important that our water services remain in public ownership to stop

water becoming a commodity for the capitalist profiteers. The Minister has said the Government wants to keep our water services in public ownership. I have no faith in his words or the words of the Government. There is no guarantee that the next Government, whoever it is - if it is not Sinn Féin - would do so either. The only way to ensure that our water services remain in public ownership is to set a date for a referendum and enshrine it in our Constitution. There is no reason why a date cannot be set for that now. We do not need the findings of a commission.

People like Stephen need a break. They do not need to be another negative statistic, consigned to live out the rest of their lives in fear and deprivation because of the regressive policies of the Minister's party and the party here on my left. The Minister should do the right thing and abolish the charges with immediate effect and enshrine the right to the ownership of water in our Constitution. That can be done with immediate effect.

Acting Chairman (Deputy Eugene Murphy): The Deputy is eating into Deputy Jan O'Sullivan's time.

Deputy Jan O'Sullivan: I do not mind him eating into my time because I will not need my full amount of time. I regret to say that we are in a bubble here. I am looking at exactly the same old politics in this Chamber. At the very start of the debate I raised the issue of the Brexit decision. I have asked if there will be a debate on it today and I understand we will be told at some stage. We need to be told because that is what is going on outside here. We are in here in this bubble and we are supposed to have new politics. There is absolutely no evidence so far of any new politics in the debate I have been listening to. I have not come in here with a script - I will speak about what I feel about this issue.

I agree with what Deputy Ó Broin said at the start. This is a fudge in order to make all the political parties who have spoken so far comfortable in their position but it is not dealing with the issue. We are in the do-nothing Dáil where everything gets pushed down the road, does not get done or gets vehemently opposed by some people. There is no new politics in it. We have various things put down the road including Bills that I worked on in education on the technological universities and admissions to schools. Those Bills were ready to go but have now been shoved off to the end of the year. They are just two examples that I am aware of. There has been very little legislation, the same kind of views are being expressed and we are not learning anything. One of the lessons of Brexit is that slogans are only slogans but they can lead to the results. We have heard in here that water should be free, that it is a human right and that it falls from the sky. While Deputy Cassells was looking for divine intervention there was actually rain falling on the roof of the bubble we are in.

Deputy Paul Murphy: It is lashing out there.

Deputy Jan O'Sullivan: Rain falls from the sky----

Deputy Gino Kenny: It is raining money.

Deputy Jan O'Sullivan: -----but does not get into taps without a bit of cost.

Deputy Gino Kenny: We already paid for it.

Deputy Jan O'Sullivan: Let us recognise that. I will not interrupt Deputy Kenny.

Deputy Gino Kenny: I do not normally interrupt.

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Acting Chairman (Deputy Eugene Murphy): Let Deputy O'Sullivan speak. She has her time and I will let Deputy Kenny in when his time comes.

Deputy Gino Kenny: I apologise.

Deputy Jan O'Sullivan: The Minister asked for rational debate and I would like to supply some if I can. I hope others will do the same. The water that comes into our houses is not free; it has to be stored, collected, treated and brought to our houses. It does not go out free the other end either. Much of it goes and pollutes beaches in north Dublin, rivers and land and we need to do something about that. It all costs money. It pollutes our rivers and streams and is costly and complex. It has to be paid for one way or another - if it is not going to be paid for by a charge, it will be paid for through central taxation. Sinn Féin is honest enough to say that. In response to Deputy Butler, who raised the issue about competition for that central taxation, as the Minister did, it is in competition with building houses for homeless people, schools for children and with our health services which need investment. Let us not pretend-----

Deputy Simon Coveney: It is the reason we did not get investment in the past.

Deputy Jan O'Sullivan: Let us not pretend that we can get it free into our houses. The Deputy can smile if he likes.

Deputy Gino Kenny: It is incredible.

Deputy Jan O'Sullivan: Let us not pretend. It has to be paid for in some way.

Deputy Gino Kenny: They are all in denial.

Acting Chairman (Deputy Eugene Murphy): The Deputy's time will come and we will allow him to speak then.

Deputy Jan O'Sullivan: Let us look at some of the things Irish Water has done. It has invested in 34 new treatment plants, 26 for wastewater and eight for drinking water; and 73 upgrades, 51 for wastewater and 22 for drinking water. A further 47 water conservation projects have been completed with 452 km of pipe remedied. It has made investment to improve water quality including in Roscommon, which the Minister referred to, and general improvements in lead pipes and leaking pipes in our cities. I have witnessed it outside my own door. If I look at my constituency - Deputy Quinlivan is here and is aware of it - towards the end of last year, Irish Water announced €6.5 million investment in the Limerick city water mains rehabilitation project which will save an estimated 11 million litres of water per week in Limerick city when it is completed. The works will see the replacement of 11.1 km of problematic water mains, the decommissioning of 13.4 km of problematic shared lead service pipes and the replacement of 1,914 customer service connections in various locations around the city. When the statement was made, some of that had already been done in Killeely and Ballynanty, areas that Deputy Quinlivan is very familiar with.

The utility has done some good work but we all acknowledge that there were very large mistakes made in terms of its setting up. Nobody seriously thinks we should go back to all the individual local authorities dealing with water services. That did not work; it was not effective. There are works right outside my house to replace lead but which is mainly designed to stop leaks. The local Labour councillor and I have been trying to get that extended to houses that do not have shared services. Ironically, we were belatedly joined by the local Sinn Féin councillor,

the same party that does not believe in Irish Water but which at the same time has been asking it to do work, which costs money. We have to be realistic about these things.

Deputy Maurice Quinlivan: We have been.

Deputy Jan O’Sullivan: We also need to have a rational debate. I am concerned about the amendments that Fianna Fáil will apparently propose to extend further the time regarding the work of the commission and the Oireachtas committee. Deputy Butler read out the timeframes written into the legislation but her colleague, Deputy Cowen, indicated that they will propose to extend the time further.

Deputy Simon Coveney: That is a decision for the Minister only if the committee needs more time to complete its work.

Acting Chairman (Deputy Eugene Murphy): That is clarified.

Deputy Jan O’Sullivan: I am concerned about that because that is kicking the can down the road. We need a timeframe for the commission to complete its work, whatever about the Oireachtas committee-----

Deputy Simon Coveney: Yes, five months.

Deputy Jan O’Sullivan: My understanding is that the Minister said the Government will endeavour to report back within five months and the committee will endeavour to do its work within the timeframe. I would like a commitment from the Minister that this will be done speedily and that we will have realistic, sensible proposals regarding how we deal with our water. Pausing the charges, or abolishing them, is transferring the cost to the central taxation, whether we like it or not. It is a political solution to a political problem, a solution with which, ultimately, the main Government party does not agree and does not believe in. If that is new politics, I am not so sure how effective it is.

We recognise the fact, and we have paid the price for it, that the majority of people elected to this House want to abolish water charges, although I am not absolutely sure if that is the case for Fianna Fáil. I share that with Sinn Féin in that I am quite confused about the Fianna Fáil position as well. We will not stop this Bill on Second Stage but we will propose amendments. We agree that there should be a referendum because there is doubt expressed in this Chamber about the utility staying in public ownership. I believe the Minister that there is no intention of it not being in public ownership but if there is doubt among the public, then we should have a referendum. We also believe, however, that we need to protect the environment and I have not heard anything from those who say “no way, we won’t pay” about what happens next. If we do not pay, what happens next? How do we protect the environment?

Deputy Richard Boyd Barrett: I will tell the Deputy in a minute.

Deputy Jan O’Sullivan: How do we ensure-----

(Interruptions).

Acting Chairman (Deputy Eugene Murphy): Deputies will have their opportunity in a moment.

Deputy Ruth Coppinger: I am glad Deputy O’Sullivan is interested.

Deputy Jan O’Sullivan: Sorry, I probably invited that by looking at Deputy Boyd Barrett. I should not have done that.

Deputy Gino Kenny: Extraordinary.

Deputy Jan O’Sullivan: How do we protect the environment? How do we ensure that there is funding for the ongoing investment and the investment that is needed for the future? How do we ensure that the polluter-pays principle is adhered to? We need to know from the Minister what exactly the EU position is. Again, I must agree with Sinn Féin in that regard. That is confused at the moment. What will the EU reaction be to the Irish position? We need to get the answers to the question of established practice and what exactly the response will be in that regard.

I also agree to some extent about the terms of reference of the commission. We need to ensure that the commission has appropriate terms of reference to ensure that it addresses issues like protecting the environment, ensuring continued investment and the polluter-pays principle. Our position is that there should be a basic free allowance of water but that after that, if people abuse it, if people use more than is appropriate to the size of their family-----

Deputy Ruth Coppinger: That is scandalous.

Deputy Jan O’Sullivan: It is not particularly scandalous-----

Deputy Ruth Coppinger: It is.

Deputy Jan O’Sullivan: It is something with which many socialists in various parts of Europe agree. Deputy Coppinger might not agree with it but it is the case. Many socialist parties in Europe believe in-----

(Interruptions).

Acting Chairman (Deputy Eugene Murphy): Could I stop Deputy O’Sullivan for one minute? Deputy O’Sullivan has been in the Chamber all morning and she did not interrupt other Deputies when they were speaking. She should be afforded the same level of respect. All Deputies will have their say. I will ensure that everybody gets fair play, so could Deputies stop making comments, which, by the way, should not be made across the floor, and let Deputy O’Sullivan make her contribution? I would really appreciate that from everybody.

Deputy Simon Coveney: She is right in her last comment.

Deputy Jan O’Sullivan: I thank the Acting Chairman. I am quite used to Deputy Coppinger interrupting everything I say. I have lost my train of thought now, thanks to the Deputy. Socialist parties in various parts of Europe believe in the polluter-pays principle, that people who excessively use any natural resource, any resource available to householders, should pay extra. I do not apologise for that position. We need to have a system whereby there is an appropriate free allowance for families, appropriate to the size and needs of the family, but after that, people pay. We will propose amendments on the other Stages of this legislation but, as I said, we recognise democracy. We recognise the way in which people have been elected to this House and we will not oppose the Bill on Second Stage. We certainly reserve the right to oppose it at a later Stage but I doubt that will make a difference to the outcome. It is quite clear what the outcome will be, namely, that charges will be paused for a period of nine months, according to the Minister. However, I am not so sure about that in view of the position of the

other party. What is the name of the arrangement? I cannot remember exactly what it is called.

I also want to speak for the people who have paid. My party published a Bill whereby those people could be paid back and we will keep that Bill available because we believe there must be fair play for everybody, including people who are in group schemes. The Minister has referred to some action that he will take in that regard and we wait to see what it is but there has to be fair play for the people who are genuinely willing to pay a fair charge. They have paid but there are others who have not paid and we do not know what the outcome will be. We do not know what will happen after the nine months. It is not enough to say “scrap the charges”. What happens next? That is what we do not know at this stage. As I said, while we will not stop the Bill at this Stage, we will propose amendments to it. We want a rational debate, to which the Irish people are entitled, not the same-old, same-old slogans that they have heard from many Deputies.

I thank the Acting Chairman for his protection and I look forward to engaging in the later Stages of the debate. I also look forward to us at some stage having an opportunity to debate what has just happened in our neighbouring island and in the northern part of our own island. That is real politics and there are real lessons that we all need to take to heart regarding the result.

Acting Chairman (Deputy Eugene Murphy): As far as I know, there will be a debate in the afternoon, subject to a certain agreement. Is that correct, Minister?

Deputy Simon Coveney: I do not have information on that yet but if I get it then, obviously, I will let the House know straightaway.

Acting Chairman (Deputy Eugene Murphy): That is appreciated.

Deputy Mick Barry: I will start by making some points about the psychology of the ruling elite on the issue of water charges but also on broader political questions. Again and again, the ruling elite, of which the Minister is part, underestimates-----

Deputy Simon Coveney: I remind the Deputy that we are a democratically elected Government, not a ruling elite.

Deputy Mick Barry: -----the anger of the people and the mood for change. The Brexit referendum has been a case in point in that regard. The most common question around this place in the last week has been, “What way do you think it will go?” In any conversation I had with a supporter of the Minister’s Government, the answer was “Very close but I think it will be a narrow vote to remain.” They all thought the vote would be to remain but they were all wrong. I was on a media programme with one of the Minister’s colleagues at the weekend, a Minister who was just back from the UK. He said that having spoken to people there he thought there would be a narrow vote for “Remain”.

Acting Chairman (Deputy Eugene Murphy): Deputy, we are dealing with the Water Services (Amendment) Bill, not a debate on Brexit.

Deputy Mick Barry: I will quickly demonstrate the relevance of this to the issue of water charges.

Acting Chairman (Deputy Eugene Murphy): Please move on and deal with the issue.

Deputy Richard Boyd Barrett: On a point of order, Deputy O’Sullivan referred to Brexit

in her contribution-----

Acting Chairman (Deputy Eugene Murphy): Briefly.

Deputy Richard Boyd Barrett: -----and the Acting Chairman did not interrupt her.

Acting Chairman (Deputy Eugene Murphy): I did not allow her to expand on it.

Deputy Mick Barry: I wondered about the people he spoke to. Did he go down to the bookies and spend time with men who cannot find steady work and who hang out there to find some company and take their minds off the reality of life? Did he go to the shopping centre and talk to the single mother who is trying to raise her children in a tough estate on her earnings from a part-time job, or did he talk to people like himself, namely, journalists, politicians, civil servants and other people who live and move in his circles? This is the connection with water charges.

The Minister and his Government underestimate the anger of the people and the mood for change in this country also. Nowhere is that mood more evident than on this issue of water charges. People have spoken clearly on this issue already. More than 1 million households have boycotted, in full or in part, the Minister's water charges. Hundreds of thousands of people have marched against his water charges, yet what did we hear from the Government benches? We first heard that it was not getting its message across properly. How patronising is that? In other words, the message is fine but we are just not getting it across to the people properly. It then said it would reduce the prices and people would pay, and when people dug in for a long battle of non-payment, we heard that the numbers on the demonstrations are going down somewhat so it will be okay.

The Minister and the Government were completely blindsided when this issue emerged to punch them on the nose in the general election campaign. Now, despite the fact that the parties in the previous Government, one of which is in this Government, were severely wounded in the campaign, and despite the fact that the previous Government lost half of its Deputies between Fine Gael and the Labour Party, they still do not get it and they cannot let go of their water charges.

I will spell it out for the Minister. He wants to set up a committee. It does not matter if he sets up ten committees. He wants to bring in dozens of experts. It does not matter if he brings in hundreds of experts. He has lost, and as far as the majority of people are concerned, the charges are gone. Working-class people are not going to pay; it is as simple as that. If the Minister and the Government are so arrogant that they are not prepared to learn that lesson today, I am afraid they will be forced to learn it, at twice the cost to them, tomorrow.

We should be debating the abolition of water charges today rather than their suspension, but if the majority in this House - Fine Gael with its new allies in Fianna Fáil - suspend them, we will fight to stitch into that a series of amendments on the need to suspend water metering, write off arrears and so on down the road. My colleague Deputy Paul Murphy will go into that in greater detail.

With the remainder of my time I want to deal with some of the argumentation around the issue of water conservation. Forty-one percent of treated water in the State is unaccounted for. Are the losses coming from housing units - households? In the main they are not, and that is according to Irish Water's own statistics. Irish Water announced recently that, based on the

meters already installed, it can extrapolate that for its estimated 1.5 million customers the leak rate is 45 million litres per day, or 30 litres per property per day. That is under 3% of the total water produced. In other words, for every 14 litres lost, less than one litre leaks from a housing unit. It is the general system of pipes that the focus must be on.

For example, we live in Cork city. The Minister is familiar with the big leak in the Fever Hospital Steps on the north side some years ago. When were those pipes installed? Was it in the day of Bertie Ahern, Jack Lynch or Garret FitzGerald? No, it was under the rule of Éamon de Valera. Where I live in Cork city, in Blackpool, many of the pipes underneath the ground were installed when the British were ruling the country. That is where the investment must go, and it can be fixed.

In 1996 in the Dublin region which, for the purpose of this survey included Kildare and Meath, there was a 42.5% unaccounted-for water rate, yet after a Dublin regional conservation plan of State investment, that was reduced by one third to 28%. In the South Dublin County Council area, with district metering and a leak detection crew, that rate was reduced to 16%.

We need a programme of State investment in fixing those pipes and in terms of all public buildings and new developments, with developers paying the price, rainwater harvesting systems to be installed, dual-flush toilets to be installed, recycling of grey water, etc. The Minister's figure of €600 million investment a year is a very conservative figure. It needs to be €1 billion a year, not from water charges but from a progressive taxation system which makes the super-wealthy pay their taxes.

Acting Chairman (Deputy Eugene Murphy): I apologise for interrupting the Deputy earlier but I want to keep Deputies focused on this debate and not Brexit. I call Deputy Boyd Barrett, who has seven and a half minutes.

Deputy Richard Boyd Barrett: I, too, want to point out the intersection of these two issues. This Water Services (Amendment) Bill is an arrogant and undemocratic fudge. The arrogance and contempt for democracy that is displayed in this water services Bill is the same arrogance and contempt for democracy that produced the vote to exit in the United Kingdom, which is-----

Deputy Simon Coveney: The Deputy is stretching it.

Deputy Richard Boyd Barrett: No, I am not.

Deputy Simon Coveney: He is doing his usual, looking for headlines.

Acting Chairman (Deputy Eugene Murphy): Minister, you will have a chance to respond.

Deputy Richard Boyd Barrett: The Minister does not get it. The establishment does not get it. There is widespread disaffection and alienation from the political establishment, not just in this country but across Europe. It will be reflected in the Spanish elections that will be held soon. It was reflected in the vote for Syriza. It was reflected in the votes for the radical left in Portugal and, tragically, it is also reflected in darker and more dangerous manifestations of disaffection, with the rise of the vile xenophobes of the UK Independence Party, UKIP, the vile Boris Johnson and the vile far right across Europe. Why are those forces rising? It is precisely because of the failure of the establishment, and the establishment would want to take a long, hard look at itself. It is in absolute panic now over Brexit-----

Deputy Simon Coveney: The political system has to come together, but the Deputy refuses

to facilitate that.

Deputy Richard Boyd Barrett: -----just as it was in panic faced with a quarter of a million people on the streets. It was panic-stricken by that. That is the truth, and it has rocked the establishment. It has brought the two parties that have dominated this State for its entire history to their lowest ever ebb, and it was close to eliminating the Labour Party-----

Deputy Jan O'Sullivan: No, no.

Deputy Richard Boyd Barrett: -----because it joined that club and got it wrong as well.

Deputy Jan O'Sullivan: The Deputy wishes we were gone.

Deputy Mick Barry: Who is interrupting now?

Deputy Simon Coveney: It did not deliver too many seats for you guys.

Acting Chairman (Deputy Eugene Murphy): Minister-----

Deputy Richard Boyd Barrett: Can we stop the clock?

Acting Chairman (Deputy Eugene Murphy): No, sorry-----

Deputy Simon Coveney: We are not talking about water.

Deputy Ruth Coppinger: The speaker has been interrupted twice by Labour and-----

Acting Chairman (Deputy Eugene Murphy): Deputy Coppinger, you are not allowed to make comments across the floor like that. Make them through the Chair if you wish. I ask all Members to respect other Members, please. I want Deputy Boyd Barrett to be allowed conclude his contribution. Minister, you will have an opportunity at the end of the debate to reply-----

Deputy Simon Coveney: Will I?

Acting Chairman (Deputy Eugene Murphy): -----and if you wish to clarify anything, you can do it then. Please continue, Deputy Boyd Barrett, and stick to the issue.

Deputy Richard Boyd Barrett: I am sticking to the issue. It is about honesty and democracy. That is our main problem with this Bill; the Government just does not believe in democracy. The people have spoken clearly and unequivocally but the Government will not respect their decision. If anything is going to fuel further alienation and disaffection from politics and from the political establishment, it is the contempt the Government is showing. To be honest, even from the Government's point of view, it is utterly self-defeating. If the Government had any sense, it would get this issue off the pitch so that we can move on to other things, because it is just going to keep digging a hole for itself if it does not respect the decision. The reason it will not do that is not just contempt for democracy, it is also because the Government is playing a trick on the people, just as it did with the bin charges. That is part of the reason there was such a revolt about water. People will be fooled once - he is going to do it again-----

Deputy Simon Coveney: The Deputy did not like that, did he?

Deputy Richard Boyd Barrett: -----but they are not going to-----

Deputy Simon Coveney: The campaign he was planning failed.

Deputy Richard Boyd Barrett: See - the Minister just cannot bear that the Government has been beaten. The people have seen through it. The Government and Fianna Fáil knew when it first proposed the introduction of a €400-per-year water charge that it was going to lead inexorably to privatisation, a fact confirmed by the European Union. It also continued to recycle the lie that it was going to be off-balance-sheet when EUROSTAT exposed that lie and admitted in its ruling that privatisation was always envisaged, just as with the bins. The Government knew that once the charges came in, privatisation was coming. That is what it wanted. The reason the Government will not abolish water charges now is that it wants to come back at this for the same reason: to get hold of this precious resource and make money out of it. It is trying to trick people and that produces disillusionment.

The last point I want to make is that the Government put up spurious opposition to this on the basis that something had to be done about the water infrastructure. We heard it again from Deputy O'Sullivan, asking where we are going to get the money and so on. I will read from the Irish Water business plan. If one wants the facts, just read the plan and compare it with the figures for water investment in previous years. Planned water investment by Irish Water was €343 million in 2014 and €391 million in 2015. It goes up to €522 in 2016 and then €533 million. In 2018, it is going up to €595 million, and so on. The average is €600 million. That sounds good - this is the big water investment plan and the Government is serious about fixing the water infrastructure. However, then one goes back and looks at the previous figures. What was the high water mark, if Members will excuse the pun, of investment in water infrastructure? It was €699 million in 2008. That is higher than any of the figures envisaged by Irish Water. In 2009, courtesy of Fianna Fáil, it dropped to €679 million. Then, in 2010, there was a massive drop in investment to €519 million. In 2011, it dropped again by another €100 million to €467 million, while in 2012 it dropped to €442 million - this is under Fine Gael and the Labour Party. In 2013, it dropped again to €411 million. Who cut the investment in water infrastructure? The answer is Fianna Fáil, the Green Party, Fine Gael and Labour.

Deputy Jan O'Sullivan: There was a little thing that happened in 2009.

Deputy Simon Coveney: This is a joke.

Deputy Richard Boyd Barrett: It is not going to go back up, because the Government is spending €200 million-----

Deputy Jan O'Sullivan: Deputy, you are-----

Deputy Richard Boyd Barrett: The Deputy cannot bear it, can she? The truth hurts. The people will not be fooled.

Acting Chairman (Deputy Eugene Murphy): The Deputy's time is up. I remind all Members to speak through the Chair.

Deputy Paul Murphy: The sensitivity of the establishment party politicians on this issue is extremely instructive. It is instructive of the fact they have been beaten on this core strategic issue for them, the introduction of water charges and a process towards water privatisation. It is a reflection of the fact they have been beaten in the elections, with Fianna Fáil and Fine Gael below 50%. It is a reflection of and is connected to the crisis for the political establishment right across Europe, which they just do not understand and which is reflected in what we saw in Britain. I understand it is difficult - the Government is trying to grapple with new, difficult realities, whereby it does not have the same control over politics and policies that it had before.

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I got a letter a couple of days ago from Irish Water, as I am sure many other people did. The headline, in bold, is “Re: Overdue Account” and it gives my overdue amount. It states:

If you have not made a payment, we ask you to do so as a matter of urgency. It is important that we make you aware that failure to pay water charges will result in future financial penalties.

That is a lie from Irish Water.

Acting Chairman (Deputy Eugene Murphy): The Deputy cannot use that word in this Chamber.

Deputy Paul Murphy: I can about-----

Deputy Eoin Ó Broin: About an organisation.

Deputy Paul Murphy: Of course I can.

Deputy Richard Boyd Barrett: It is a corporate entity, for God’s sake.

Deputy Mick Barry: It is a corporate entity. Say it again.

Acting Chairman (Deputy Eugene Murphy): Please just address the issue.

Deputy Paul Murphy: This is a lie. It is a lie that people will face penalties if they do not pay. If water charges are brought back in, then, yes, they will pay, if Fianna Fáil agree to that, but if water charges are suspended, as is proposed by the Government, and are subsequently abolished, which the Minister surely has to agree is at least a possibility, then people will not face penalties.

Deputy Simon Coveney: They will.

Deputy Paul Murphy: That is because of-----

Deputy Simon Coveney: The charges have been incurred.

Deputy Mick Barry: Penalties.

Deputy Paul Murphy: Wrong. Section 2(b) of the Bill the Minister has just brought forward provides that “Neither the first-mentioned period within the meaning of subsection(1A) of section 3 nor any period specified by order under that subsection shall be reckonable for the purpose of calculating the period of 12 months referred to in subsection (1)”. That means the clock stops ticking on the penalties once this applies and therefore the penalties do not apply. Therefore I ask the Minister-----

Deputy Simon Coveney: It is a suspension, not an abolition.

Deputy Paul Murphy: Can I go back to the lie that is contained in the Irish Water threatening letters? They state: “It is important that we make you aware that failure to pay water charges will result in future financial penalties.” It may result in penalties, but how can Irish Water state it “will” do so? Charges have been suspended, and then we are going to have a discussion about it. Fianna Fáil is saying it will not allow water charges to come back, in which case penalties will not apply. Can the Minister please clarify the situation? Can he clarify that the clock stops ticking in terms of penalties and that no penalties will apply and can he please talk to Irish

Water and clarify to us that the lying, threatening letters are going to stop? It is reminiscent of a soldier left behind in a jungle, fighting a war that has ended and that they have lost. That is parallel to the position of the Government and Fianna Fáil, which are attempting to do the same. It is a ploy to kick the can down the road. Central to that is the retention of Irish Water.

Fianna Fáil gets a great deal of stick, rightly, for having gone for a suspension rather than an abolition of water charges-----

Deputy Ruth Coppinger: Yes.

Deputy Paul Murphy: -----but in particular it should be getting a great deal of criticism for its agreement to retain Irish Water. Its manifesto and its posters listed abolishing Irish Water and water charges as a core demand and what did one of their Deputies say today? She said we should end water charges and renew Irish Water. That is a substantial change of position. Irish Water does not exist to provide water infrastructure, it exists as a parcel of infrastructure prepared for privatisation in the future, and as long as it exists, it will be a key part of the mechanism of trying to bring water charges back. The fact that Fianna Fáil is so sensitive and that Deputy Cowen played the role of attack dog for the Government today shows that it feels vulnerable on this issue because it so blatantly broke the promises on which it was elected.

We are saying water charges should be scrapped right now. That is what we should be discussing today and that is what we should be voting on. The arrears should go, and we will put forward amendments to that effect. People should not be pursued for the arrears they have incurred. The threatening letters will hopefully stop. I would like an assurance from the Minister on that. People who were forced to pay should have the money returned to them. If it is going to be suspended, then everything that relates to water charges should be suspended. Surely the Minister can agree to that.

Deputy Jan O'Sullivan: Could I have some water, please?

Deputy Paul Murphy: The central point I am making is that the programme of water metering now has to be halted. It is ongoing. They continue to put water meters in the ground. This is against the will of working class communities - three people recently went to prison for their protests against water meters - but they are continuing. What is the point of water metering? They are a key part of preparation for charges, obviously, because that is their purpose, but also for privatisation. It is about a privatisation of the revenue stream of water charges, at least initially, if water charges were to return. We will put an amendment to this Bill calling for an immediate halt to water metering. The Government should agree to that or it should act independently act to stop water metering.

If water metering is not stopped by the Government, I will tell the Minister and Irish Water very clearly that it will be halted. It will be halted by protesters engaging in peaceful protests in communities, saying they do not want these waters and they have expressed their opinions.

Deputy Simon Coveney: The Deputy will take control, will he?

Acting Chairman (Deputy Eugene Murphy): Please, Minister.

Deputy Simon Coveney: He will decide who does what.

Deputy Mick Barry: He is doing it again.

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Deputy Simon Coveney: He will decide on the legalities. Is that it, Deputy Murphy? I suppose the Deputy will take control.

Deputy Ruth Coppinger: The Minister should listen.

Deputy Richard Boyd Barrett: He cannot control himself.

Deputy Simon Coveney: We do not respond to threats.

Deputy Paul Murphy: It is so hard for the Minister to lose.

Acting Chairman (Deputy Eugene Murphy): Address the Chair please, Deputy.

Deputy Paul Murphy: It is so hard for him to lose because he is facing a risen, working class people who have experienced their own power and who have realised that they can say they do not want a water meter in their estate. They can say they will not pay water charges which are unjust austerity taxes. They can say they will vote for parties which are against water charges, and that has become a powerful force.

No matter what the Government comes up with, this is a fudge that will come back. Water charges are a key strategic part of the agenda for the 1% in this country and the European Commission and they intend to come back with them at some stage. The difference now is that they are facing a population which has experienced its ability to hit back and win and these people will meet any attempt to come back with charges with even more force, meaning the Government will be defeated once more.

Acting Chairman (Deputy Eugene Murphy): I do not like the use of the word “lie” from anybody in the Chamber and I pulled people up for this the other day. This is irrespective of whether it is about the issue or about a letter or an individual. I ask all sides to desist from the use of the word “lie”.

Deputy Paul Murphy: I respect the opinion of the Acting Chairman but there is no rule on it.

Deputy Gino Kenny: The Minister might wish to leave the Chamber or put his fingers in his ears. What I am going to read out would shock anybody.

Acting Chairman (Deputy Eugene Murphy): I hope the Deputy will keep to the rules of the House.

Deputy Gino Kenny: I will just give the facts. I will remind everybody in this House how much taxpayers’ money has been spent on Irish Water thus far. Some €585 million has been spent on water meter installation and €86 million was spent on consultants by early January 2014. Some 300 Irish Water staff were paid bonuses averaging €7,000 at a total of € 2.1 million. Some €166 million has gone to the water conservation grant and administration costs have been €6 million. In 2014, Irish Water received a State subvention of €439 million and was expected to receive €399 million and €479 million in 2015 and 2016 respectively. Two thirds of this money came from motor tax payments and some 30% of the local property tax revenue collected in 2014 was also diverted to Irish Water. The taxpayer will have given close to €3 billion to Irish Water by the end of 2016.

It gets worse. Some €316,948 has been spent on four public relations firms. The customer

service contact centre has cost €17 million and it has cost €820,000 to send Irish Water bills to members of the public. The figures show that the latest billing cycle, covering January, February and March, is costing 61 cent per paper bill. Irish Water paid out more than €3.7 million in fees to external consultants to provide it with expert services between March and August 2015 alone, including €740,748 to legal firm A & L Goodbody, €217,000 to McCann Fitzgerald, €130,000 to Arthur Cox and more than €470,000 to Ernst and Young Ireland, while accounting and consultancy firm KPMG received about €120,000.

To say this has been a complete fiasco is an understatement. The sight of the former Minister for the Environment, Community and Local Government, and now EU Commissioner, Phil Hogan, gloating that he would turn non-payers of water to a trickle was as nauseating back then as it now. His arrogance and utter contempt said everything about the former Administration. Thankfully, the contempt and arrogance of Mr. Hogan created a groundswell of popular protest and civil disobedience to create the biggest mass movement of the State's history. Like many elected Deputies in this House, I was extremely proud to be part of this great social movement.

One of the extraordinary aspects of this whole fiasco has been the role of the Labour Party. My family always voted for the Labour Party. I was told growing up that they stood up for the working person and represented their values. The sight of Labour Party Ministers being apologists for Fine Gael policy and acting as the cheerleaders of the debacle of Irish Water was as nauseating and arrogant as Mr. Hogan's comments.

People will ask where they were on 11 October 2014. I know where I was, like 160,000 other people. Everything changed on that day. It may have been an ordinary autumnal Saturday, but this day will go down in Irish history as the day when the people decided they had simply had enough. The Taoiseach was right about one thing during this fiasco, namely, that this was more than just about water. It was about everything that had gone on in the previous six years when working people took the pain and trauma of the greed of the few. The people have spoken and they have utterly rejected not only water charges, but the Government which imposed them. This independent commission is a euphemism for an exit strategy for this Government to save face. The Government has been humiliated by the very people it tried to humiliate over the past five years.

In conclusion, I am reminded of the great slogan, "The power of the people is much stronger than the people in power". How true this is. The political establishment in this country seems to think it has an automatic right to rule. More than ever before, the political establishment has been challenged and questioned not only in this Chamber, but in society as a whole. Things will never be the same again.

Acting Chairman (Deputy Eugene Murphy): I remind speakers that all Members of the House have been democratically elected by the people of the State. They should remember that.

Deputy Richard Boyd Barrett: I presume that comment applies to the Minister.

Deputy Thomas Pringle: I am sharing time with Deputy Clare Daly. The first couple of sentences of the Minister's contribution were very interesting. He said we were faced with a choice between contributing to the cost of providing water or water having to compete with the likes of roads, schools and hospitals for funding into the future. That shows the mindset behind the creation of Irish Water and the water billing system. In one or two years' time we may have a debate in this House on the privatisation of our health care, in which people say that the choice

is between contributing to the cost of providing our health care or letting it compete with roads and schools for funding. The mindset is to ensure we have a water services infrastructure and that people accept the bill coming through their door so that the revenue can be collected locally. This will then facilitate the handing over of the service, ready made, to private operators to deliver. That is the way the debate has been going over the past number of years.

The commission of investigation which the Bill will establish is not about saving face for the Government and enabling them to get out of the process. It is actually about how the Government can save water charges to ensure the service is ripe for privatisation at some stage in the future. The Minister outlined the dire situation for water services across the country and the reasons we have to have Irish Water. It reminds me of how privateers across Europe and the world go about the privatisation of a public service. The trick is to starve the service of funds and run it down so that citizens will expect something better when it is privatised and will accept privatisation. In the past 20 or 30 years here there has been a constant and steady running down of water services. The Government's mantra is that our bad water services are all the fault of local authorities but that was never the situation. The problems were caused by the fact that this and previous Governments have never faced the fact that we must have adequate investment in our water services. Whether they are privatised or in public ownership, we must have investment. In the history of the privatisation of water, one does not see ongoing investment into the infrastructure but profit taking on the part of private companies, for themselves and their shareholders. This is what we would face if we allow this to continue down the road of privatisation.

The Minister goes on to speak about the great results Irish Water has achieved. To take one aspect, it is interesting that the negative about the councils running the water is that 49% of all water produced was lost in leakage. That is a fact. There is no doubt that that amount of water was lost in leakage. Yet, subsequently, the Minister goes on to outline the success of Irish Water and states that Irish Water through the water metering programme has saved 39 million litres of water daily, which is equivalent to or more than the amount of water used by County Wicklow in one day. This is interesting because the way the Minister uses the figures makes it look impressive. He states that 49% of all water produced is lost in leakage and that 39 million litres are saved through the domestic water metering programme. However, when we break it down, 39 million litres amount to 2.4% of all the water wastage in the country.

After spending €580 million installing water meters throughout the country, what did Irish Water achieve? It has reduced the amount of unaccounted for water in the country to 46.6%. The sum of €580 million was spent to achieve a 2.4% saving in water. How is that water conservation?

Deputy Simon Coveney: That is a total distortion and you know it.

Deputy Thomas Pringle: It is not a total distortion. The Minister's figures are the total distortion.

Acting Chairman (Deputy Eugene Murphy): Minister, the Deputy is to speak without interruption, please.

Deputy Simon Coveney: There are set-up costs for a huge new utility.

Acting Chairman (Deputy Eugene Murphy): Minister, I must ask you-----

Deputy Thomas Pringle: The cost of the metering is not the set-up cost for a utility. The cost of the metering is the cost of the installation of the meters-----

Deputy Simon Coveney: Those meters will be there for the next 50 years.

Deputy Thomas Pringle: ----- which the Government sold to us as being a conservation measure. It tried to tell the public that all the water is being lost on domestic connections across the country and that if we put up with this and accept the water meters we will have huge conservation.

Deputy Simon Coveney: It will take time.

Deputy Thomas Pringle: Then it produces figures stating that 49% of all water produced is lost on leakage but that we saved 39 million litres on water conservation on the household side through the metering programme which cost €580 million. A total of 39 million litres actually amounts to 2.4% of the unaccounted for water in the country. Why does the Minister not come into this House and state that the Government has achieved a reduction of 2.4% by the installation of water meters throughout the country? It will not state that fact because it is horrific-----

Deputy Simon Coveney: Because it only got started.

Acting Chairman (Deputy Eugene Murphy): Minister, I must ask you-----

Deputy Simon Coveney: I was just answering a direct question.

Deputy Thomas Pringle: -----if one looks at it in terms of the cost of metering.

Deputy Ruth Coppinger: The Minister cannot resist interrupting the Opposition.

Deputy Thomas Pringle: That is the actual situation-----

Acting Chairman (Deputy Eugene Murphy): Deputy Pringle, one moment, please. Minister, I must ask you to let Members make their contribution.

Deputy Simon Coveney: All right.

Acting Chairman (Deputy Eugene Murphy): You will have an opportunity to come back on those issues, so, without any interruption, I call on Deputy Pringle, please.

Deputy Ruth Coppinger: The Minister is meant to be listening.

Acting Chairman (Deputy Eugene Murphy): Sorry, Deputy Coppinger-----

Deputy Simon Coveney: I am listening. It is the distortion I am trying to correct.

Acting Chairman (Deputy Eugene Murphy): All comments are to come through the Chair.

Deputy Thomas Pringle: Thank you, a Chathaoirligh.

It is not a distortion. I do not know how the Minister can classify it as a distortion when, if one looks at it, it is a fact.

Acting Chairman (Deputy Eugene Murphy): I ask Deputy Pringle to address the issue.

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Deputy Thomas Pringle: That is the fact. If the Government and Irish Water were serious about water conservation and the targeting of unaccounted for water, that €580 million would have been far better spent on a district metering programme, identifying the mains where the vast bulk and majority of the water being lost is actually lost and carrying out repairs on those mains systems. This is where the problem lies and not in getting people to pay water charges.

That people have accepted and paid their water bills has done nothing to contribute to water conservation throughout the country. That is a fact. If the Minister could come into the House and state that there was a reduction in unaccounted for water of 50% throughout the country, he might have some basis to his argument seeking to justify the metering programme. However, he cannot, and the reason he cannot is that the vast majority of the wastage was never due to domestic connections. I worked for 16 years in water services before being elected to the House in 2011. I worked on leak detection and fixing leaks. I know that the vast majority of water wastage is not and has never been due to domestic connections. That argument goes out the window.

The reason the metering programme is continuing is the Government ultimately wants to privatise water services. This is why it has to get the metering programme in place and citizens to accept the bill coming through the letter box. It has to do that to be able to privatise it in future, which is the long-term goal of the Government's water services programme.

This legislation is about delay. It seeks to freeze the charges and the billing for nine months to allow the expert group to come back with a report, but we all know the expert group will come back and say we have to maintain the charging system. There is no doubt about that. Apart from anything else, he who pays the piper calls the tune. The Government set up this expert group and that is what it will come back with. All one has to do is look at the expert group's terms of reference. It is to take into account the maintenance and investment needs of the public water and waste water system in the short, medium and long-term, proposals on how the national utility in State ownership would be able to borrow to invest in water infrastructure, the need to encourage water conservation including through reviewing information campaigns, Ireland's domestic and international environmental standards, the role of the regulator and that kind of stuff.

Will the Minister include in the terms of reference the proposal which has been suggested by the Right2Water campaign that the expert group would also review the social implications of the funding of water services in the short, medium and long-term, including water poverty, future privatisation and potential water shut-offs for low income families? Then we might get an expert group report that might actually reflect what the majority of the House says it needs to do.

We need to be vigilant throughout this process. Water charges will be suspended for nine months while this body carries out the review and then the Oireachtas committee will carry out a further review. I imagine that will extend out to approximately two years or so while the work is ongoing and then it will come down to a vote in this House. If we are to be certain that we will get that vote in this House, Fianna Fáil will have to live up to what it said it would do in terms of abolishing water charges across the board. It will be interesting to see, when the report comes, what will happen in that regard.

We, the expert group and the Dáil committee - in particular the Dáil committee because the expert group will come back with the report the Government wants - will have to work to ensure

that, at the end of the process, we have a public water system which is maintained in public ownership and which is funded through direct taxation to ensure that water services are provided for the good of all our citizens. This is the key outcome to be realised in this process. We need to ensure we end up with a system everyone can accept and buy in to. We are a wealthy country and can, through progressive taxation, continue to fund our water services and ensure we keep our water services in public ownership.

It is interesting that the terms of reference of the group do not include the maintenance of water services in public ownership. The way to do that is to have a referendum on the public ownership of water services and our water resources. That referendum should take place alongside the workings of the group. There are a number of Bills before the House that would deliver a referendum on the public ownership of water. I hope those Bills will come before the House and we can vote on them and ensure that referendum takes place. Then we will be sure that no Government, no matter its ilk, will be able to privatise water in the future.

Deputy Clare Daly: I will not repeat the points made by other Deputies. I note the Minister got a little restless during the comments of my colleague, Deputy Pringle, which is hardly surprising given that he has spent the majority of his working life working with water and knows what he is talking about in terms of conservation. I thought it was interesting that the Minister seemed to get upset by those points.

Deputy Simon Coveney: It is because he knows that he should have known better.

Deputy Clare Daly: What we have in the proposition in this legislation and the idea of the commission is a fudge or a sleight of hand. The Government hopes that by putting this in place and leaving it there for a while, it might arrive at a situation where the almighty anger that rocked the streets in every county would somehow have dissipated and that people would forget about it and settle for some middle ground or solution other than the outright abolition of water charges and the enshrining of the idea of water as a public utility. That they would just forget about it will not happen.

Consistently, throughout the past period, the Government and the political establishment has underestimated the level of opposition on this issue. When we speak about a mechanism to decide how our water supply can be funded into the future, if the Government were genuine about it, the only basis and starting point is to say the people have spoken clearly and said that they are not interested in a direct charge for water and that the idea of paying for public services - water being one of them - through progressive taxation is a model that has worked well and one they want to see continue.

1 o'clock

Therefore, as we are suspending the charge it would be far simpler to just abolish it outright because kicking the issue down the road is not going to pawn people off or quieten the opposition to the charge. Water is essential for life. We are an island nation. If one was to walk out the door right now one would be absolutely saturated. Of course the water that falls from the sky is not the same as purified drinking water which does cost money to produce, but there are many things we could be doing to enhance and collect that rainwater and improve our supply. We certainly do not need Irish water or a privatised model in order to deliver that. The Government is making a serious miscalculation because once the charges are suspended it is going to be very hard to restart that engine. There are many people already who have not paid and I

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include myself among them. I have no intention of paying for the next nine months or in any months that will follow this situation. I am quite satisfied that I am with a substantial majority of the population in that regard. That even includes some people who were bullied into paying. I believe the Government is again miscalculating the huge opposition that was harnessed by the Right2Water movement due to all the other austerity cuts experienced by people.

The points which have been made by Deputies highlighting the dangers of privatisation are critical to this discussion. In this age of the Internet, people know what goes on in other countries. Consider, for example, what happened in Detroit. Families who were already in financial difficulties became the victims of water shut-offs and were denied access to a water supply. In Detroit 23,000 homes were cut off from water in 2015 while the flow of water was not cut off to businesses who owed twice as much as domestic water users. This gives a perspective of what privatisation means if private companies are allowed to come in here. Big companies and businesses in Detroit were able to negotiate on their bills and have large portions written off but no such facility was offered to hard-pressed families. That is the future scenario and one of the key reasons why people took to the streets here. It was the honourable position to defend everybody's water supply.

If we are looking at a commission and if it is being said that we are open to anything, that the Government is not in any way interested in privatisation or anything like that, then why in God's name is the Minister continuing with a water metering programme? It does not make any sense whatsoever unless it is linked to a plan of privatisation. Everybody knows that individual water meters is not a conservation measure at all.

Deputy Simon Coveney: Yes it is.

Deputy Clare Daly: The economies of scale do not add up to that. It is a complete and utter waste of money. District water metering has been incredibly successful in detecting leakages etc. but once it gets to an individual household basis that argument carries less weight. Why would the Government bother to spend hundreds of millions of euro installing meters unless it wants to isolate the individual supply and introduce a payment structure which would allow that service to be eventually privatised and profited from? Water metering is about identifying a funding stream, not for fixing the pipes, but for providing dividends for future shareholders be they Veolia, Nestlé, Thames Water or whoever it is. The loser at the end of the day would be Irish families. This is why anything other than a continuation of funding for our water supply through progressive taxation is not going to wash with citizens at the end of the commission process. There is doublespeak in the Government's approach. The fact that meter installations are continuing, and the criminalisation of protest is continuing exposes the sham that has occurred.

Sadly I was not watching the Ireland-Italy football match on Wednesday night as I was in the Chamber when Robbie Brady scored the winning goal for Ireland. It is ironic that here is a young man who, as a result of that game, has been elevated to hero status by the nation and yet his mother Mia Brady is one of the water warriors in the community of Edenmore in north Dublin. To me she is a hero, like many of her colleagues. These are men and women who, in many instances, have raised their families in working class communities around Dublin and the nation. They are people who have given up their time to protect a water supply for their children and their grandchildren. There is an irony in this. We salute working class people's sports' achievements but we wreak havoc in the communities in which they live and we do not recognise it then. I have no doubt that when these men were younger and playing football on

the streets of their communities they were probably labelled as gurriers, and now they are translated into heroes. These are the communities that the Government has been trying to criminalise with the unholy alliance between An Garda Síochána, Irish Water and the henchmen and collaborators in Farrans. It is just not good enough. It has brought this State to a completely different place than it has been previously. It has substantially undermined the credibility of An Garda Síochána which has been very regrettable for them according to many senior officers we have spoken with. These are communities where gardaí have spent years trying to build up a proper relationship and have tried to get decent Garda resources into their communities. While this could not be achieved for normal policing work, overtime for the Garda is no object when a water protest is anywhere to be seen.

There are too many of these incidences to mention, but they are relevant in the context of the continuation of the metering programme. Consider the morning when Irish Water lined up dozens of trucks, with a Garda escort, blocking traffic on the Oscar Traynor Road in Coolock. This action completely disrespected the people of that community. Those heavy-handed tactics resulted in 200 women holding a silent protest outside Coolock Garda Station. The incident gave birth to the pink ladies, as they became known. There was also the day when Farrans workers arrived in Stoneybatter wearing balaclavas. There was the disgraceful imprisonment in the last month of two Wicklow pensioners, 66 year old Sean Doyle who suffers from Parkinson's disease and 60 year old Eamon McGrath. These two gentlemen had an excellent relationship with the local Garda and were peacefully protesting at the depot in Wicklow. At the same time that day an assault was carried out on one of the protestors and gardaí did absolutely nothing about that situation. This is happening now in an era when the process is supposed to be frozen to look at how the water supply might be dealt with into the future. Water metering is being unleashed in communities all over the city.

Deputy Simon Coveney: It is not.

Deputy Clare Daly: In my constituency - again in the last two weeks - a female public servant was arrested and handcuffed when she was standing on a balcony some way away from a protest and was not actually obstructing anybody. Another woman in my area who is in poor health was in her shower one morning recently when five gardaí broke down her front door with a warrant to search for a red jacket. This woman lives on her own and is in poor health. The gardaí were looking for a red jacket. I do not believe that the Kinahan gang would get treatment like that. It is absolutely reprehensible. It is about intimidating ordinary working class communities and people who are involved in legitimate protest. Protest is not a crime, it is actually a very important part of any democratic society and I believe that protestors are being treated absolutely reprehensibly. Why are these people protesting? Why do people who have never been actively involved in campaigns decide to protest to stop meters being installed in the community? Because they see that the only logic in metering is eventually to privatise that service. These people do not believe the Minister when he stands up in the Chamber and tells us not to be worrying, that there is no intention of privatising water supply and that it will all be grand. They do not believe the Minister because on the ground he is putting in place an infrastructure to facilitate precisely that situation. That is why, as Deputy Pringle said, it is absolutely critical that we move the legislation to protect our water supply. It has been a worldwide failure. Some 180 cities and communities in 35 countries have re-municipalised their water supplies in the past decade. The failure of privatisation is actually accelerating. In the past five years the failure rate of water and sewerage privatisations has increased to 34% compared with a failure rate of 6% for energy, 3% for telecommunications and 7% for transportation. There is a litany

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of problems arising from privatisation, from lack of infrastructure investment to tariff hikes to environmental hazards and so on. The public sector model is much better placed to provide access to water, to avoid water poverty, to protect the quality of water and to protect the citizens' human right to water. That is not to anticipate the outcome of the commission before it meets. It is based on worldwide experience from other jurisdictions and on what has happened here.

The lack of infrastructural investment in water here was not because we did not have Irish Water or because we did not have enough money but because the Government chose not to invest in it. Instead, in the past few budgets it decided to write off hundreds of millions of euro to the wealthiest sections in society, sums which, had they been collected, would have generated far more money for investment in water and other public services than anything else it did. Funding this public service should be done, as in other cases, through progressive central taxation. That is far and away the best model. While I am quite happy that the charges are suspended for nine months, I think it is a fudge and that in nine or 12 months' time we will be in exactly the position we are in now. The Government needs to face up to that. This issue is not going to go away. People will take solace from the fact that the Government had to suspend charges and that will redouble their intention not to pay.

The damage the Government will do by continuing down this road is immense, not just in terms of the investment in our supply but also in communities all over the country, through its attempts to criminalise legitimate protest in order to facilitate a process whereby a public service will likely be privatised. This will cause huge problems. There is evidence emerging in the courts, where several of these cases are being taken, of high-level collusion between the Office of the Director of Public Prosecutions, DPP, an Garda Síochána, Irish Water and its contractors in trying to criminalise people before any protests took place and people were charged. Meetings took place in order to block and demonise people. It is very sinister that the legislation, under section 12 of the Water Services Act 2013, gives Irish Water's subcontractors the right to decide whether somebody intends to do something that will block them. It gives them powers akin to those of the Garda Síochána. It creates a situation in which people can be found guilty of an offence even if they did not know they were committing that offence. If a person's car broke down in front of a water meter installation truck that person could be prosecuted on the basis of the subcontractor's evidence that the person had intended to commit a criminal act. That is unlawful. It is probably unconstitutional too, yet a significant legal power has been transferred to Irish Water and to Farrans, the subcontractor, although staff from neither organisation are officers of the law. It is a very dangerous precedent and a conflict of interest that the DPP's office would liaise on these matters in advance of any prosecution and of any charge being brought against any citizen. Garda discretion has been usurped again by senior officers and this has in many instances cut across decent policing. Every section 12 prosecution in the courts is being tried as a summary matter. Until brought to court the offence is indictable. There will be huge legal problems in this regard for the Minister. The best approach would be to adhere to the mandate of the public, to say people have spoken with their feet. They are not interested in direct charges for water. They want the service funded through central taxation and they want it enshrined as a public utility. That is pretty straightforward. In some ways this exercise is a waste of time and we will be back here in a year's time.

Deputy Michael Harty: Water is an essential natural resource and needs to be respected. It is essential for human existence. It is a human right to have access to water, as decreed by the United Nations. However, it needs to be used sensibly and to be conserved. Our country has a large amount of water - in fact, during the winter we have too much water, causing flooding.

Access to water is not a problem, but we do need to use it wisely and to manage it well. There should be a generous allocation of water free to each citizen, perhaps 100 or 150 litres a day. Above that, there should be a charge for water so that people use it wisely and well. We need to conserve this natural resource. To do that we need to measure and meter it because we need to know what we are using and who is using it. If we are overusing our water there should be a charge. If people are given a generous daily allocation per person it would take a lot of heat out of the debate.

We will build a lot of housing over the next four or five years and we should introduce a system of water conservation for those houses. Taking the water off my garage roof on an average night I can save 400 or 500 litres of water with my collection system. If I were to do that for the house, which has approximately ten times the roof space, I could save a lot of water. That water could be used for non-cooking and drinking purposes, to look after most of the needs of a household.

We also need to upgrade our system and repair leaks. By encouraging water conservation and repairing the leaks we can reduce our water needs by a significant amount, certainly greater than 2%, perhaps closer to 50%. We also need a single utility to look after our water and water resources but this needs to be a transparent and accountable utility. Irish Water needs to meet these criteria to be accepted and respected.

I have been paying for my water for the past 30 years through my group water scheme, while my neighbours pay by sinking and looking after their wells. We have also been paying for our wastewater through our septic tank systems. Paying for water is commonplace in rural Ireland, affecting perhaps one quarter of the population. I have been in this Chamber for only a few months but I have been struck by the passion and time allocated to discussing Irish Water when the main problems facing the country are housing, homelessness, the health system, deficiencies in our infrastructure and in broadband and the huge pressures facing agriculture because of falling prices. Many of these infrastructural deficits are the result of a lack of investment and regional development in rural Ireland. These are the issues we should be debating in this House and that should be attracting the passion that has been directed towards Irish Water. While Irish Water is important, it is not a main priority given the major problems that face Ireland today.

The Bill is not an ideal compromise but it is a compromise. This compromise is like the sword of Damocles hanging by a hair over the Government. The compromise will be accepted and it has taken the heat out of the debate for the moment - perhaps not this morning. However, I think it will take the heat out of the debate for the months to come. It has allowed a Government to be formed. When we reflect on this time, we will see that while we have to invest in our water infrastructure, it should not dominate our political debate as it has up to now.

Deputy Michael Fitzmaurice: I thank Deputy Harty for allowing me to have some of his time.

The debate on water has gone on for the past 14 to 18 months and there are arguments on both sides. When Irish Water was set up, it was not planned out, as it should have been; it was done in a hasty fashion. When I was first elected, legislation was guillotined and we had to go back to it. As the previous Deputy said, in many rural areas, we have paid for water all our lives. When Irish Water was set up, I said that we needed such a utility. Regardless of whether people accept it, we need an overall utility because with 25 or 30 local authorities involved, there is no joined-up thinking.

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EU regulation is raising the bar for the quality of water being delivered to people's homes. We need to put in better infrastructure to deliver that water, including UV and other systems to ensure we comply with these regulations. I know that many Deputies pulled out their hair about Irish Water. It was frustrating at the beginning but gradually it got better. For those of us who worked with Irish Water in different areas, we have seen the duration of boil water notices, which previously lasted eight to ten years in some cases, get shorter because of new technology being introduced.

My argument has always been as follows. Should a person, who lives in a house that is cold, knock it down or install insulation? The same applies to Irish Water. While it may not have been efficient at the beginning, we need to make it better. Wherever there is waste, we need to get rid of it. Wherever there are too many people, we need to ensure there will not be too many people and that it runs efficiently. That message needs to be sent out to people because it started on a bad footing. In recent months, it has brought in people from the group water scheme side of things and they have helped to steer the ship forward in a better manner.

I have always said we need to keep Irish Water in the hands of the people. The taxpayer has paid €17 billion or €18 billion on pipes and other infrastructure. We need a referendum to ensure that it does not go to some other entity. The reassurance always needed to be there.

The way forward was to give a certain allowance to people and after that to put it clearly that if people waste water, they need to pay for it. People have a human right to have enough to wash and enough to drink. When the meters were introduced, there was a major row. I am involved in a group water scheme that was using 940 cu. m of water a week. With the help of the local authority and the Department of the Environment, Community and Local Government, we put in meters and because we were able to find the leaks and fix them, we brought that usage down to 250 cu. m, a reduction of about two thirds. It is important that good water is not being lost in the ground. However, we need meters and flow meters to monitor where water is going in the ground.

People who are disabled or sick or on dialysis and who need extra water should be given an extra allowance. Sadly there was conflict over the meters and that became the focus of the whole water debacle. Ironically, they have been a lifesaver for those of us on small group water schemes.

Subvention was taken from the group water schemes because they were getting the token €100. I understand that has now gone. What is good for the goose is good for the gander. If it ends up that people no longer pay for water, the €50 should be added to the €50 that was taken away because it will be needed for the group water schemes to survive. Anyone will tell the Minister that it is harder and more expensive to supply water now.

The focus of the debate is on the water we drink. However, on the sewerage side, the infrastructure required to comply with the various regulations affecting our coasts and rivers costs Ireland a lot of money. We can argue over whether we should pay for water or not pay for it but we need to realise that it will either be on the right hand or the left hand if we are to put the infrastructure in place. It has to come from somewhere - either in taxes or in charges - but we cannot put the infrastructure in place without that.

We are having a commission to investigate this. I could nearly outline what it will find. It is straightforward to say that infrastructure costs money and a government will need to decide

whether to do it through taxation and budgets every year or through a charge. It will come back to an Oireachtas committee with the elected representatives. We need to realise that most Members elected to the Dáil are opposed to a water charge. We need to respect that; that is what is called democracy.

We need to spend a considerable amount of money in many parts of the country to enable people to drink good water. The day that the tap is turned off and there is no water is when everyone will shout. Some people think the group water schemes run themselves. I accept that technology has improved. We have systems that use mobile phones to inform people how the chlorine is going, how the UV is going and how the pumps are going. However, the day we get the phone call is the day when some household does not have a drop of water when they go to boil the kettle. That is the problem that people must realise.

I spent a day in Williamstown where a new UV system was introduced as a temporary measure where a boil water notice was in operation. I have worked a lot with water throughout my life. However, I learned so much that day. It would benefit every Deputy to go to a sewage treatment plant. I suggest that Irish Water should bring along school children to show them the infrastructure that is required and educate them on the process of water treatment. Many people only know it appears through a tap. It falls from the sky and it is free when it falls from the sky but the treatment required thereafter is unbelievable and the standards are getting higher. Group water schemes have voluntarily looked after water in villages around the country. People came together and worked to put in pipework in areas where councils did not make such provision in the past. I urge the Minister to ensure they do not become the fall guys in this debacle.

The Minister should be transparent about those in Irish Water who are on huge salaries and he should make sure Irish Water is run efficiently. We must get the message out that the company is being run efficiently and correctly. Whether we opt to fund Irish Water through the budgetary process or otherwise we must ensure funding is provided to do the work. A significant amount of infrastructure around the country is there for up to 40 years and will need to be replaced. Stopcocks, saddles and other aspects of water infrastructure will begin to leak and we must replace it whether we like it or not. That will cost money. I urge the Minister to provide a sufficient allowance to ensure that work is done.

Whether we like it or not, many villages, towns and cities were putting raw sewage into rivers. We are under the cosh of the EU, which the Brits have moved away from today, and we must ensure we comply with it or the next thing is that we will face fines. The Minister must ensure Irish Water does not become a white elephant that is starved of funding. Whichever way we do it, we must budget for it every year. From 2018 on it appears the Minister will have a few more quid to give out in funding. For the benefit of the country, could the Minister ensure Irish Water is not starved of finances to put the infrastructure in place?

Acting Chairman (Deputy Bernard J. Durkan): Deputies Catherine Murphy and Eamon Ryan are sharing time. Is that agreed? Agreed.

Deputy Catherine Murphy: From 2013 on many of us have stood in the Chamber to debate this issue. I was on the committee that debated Irish Water before it ever came into the Chamber. Some of us did not participate in the final report because the announcement was made before the report was published that Irish Water would become a reality. The decision had been made, irrespective of what we did on the committee.

Some of the committee hearings were quite interesting. Some of us refused to participate in the ramming through of the legislation in December 2013. Almost the entire Opposition walked out when an attempt was made to ram the legislation through by way of a guillotine on the Bill. The Government refused to listen and has refused to listen since then on numerous occasions. The result is that we are here again debating the issue because of the omnishambles that is Irish Water and the determination to press ahead with it.

I have repeatedly said that the objection to water charges was about much more than water and Irish Water. It was really the straw that broke the camel's back. It was a dishonest enterprise right from the word go. When one looks at the commitments made in 2011 by Fine Gael in particular in its manifesto, which we know was a very dark and difficult time, there was a commitment not to raise personal taxes. What happened is that in order to reach the 3% deficit and comply with European rules the fairly extensive local government fund was stripped out in favour of introducing property tax and then water charges. People previously paid for water by way of general taxation, because it was paid for previously, and the means of paying for it through that mechanism was taken away under the pretence that it would not impact by way of taxation, but it did and a new Bill was introduced in the Dáil.

It is interesting that when water charges were abolished previously in 1997 the Minister for the environment at the time was Deputy Brendan Howlin and the Government was a rainbow coalition that was led by Fine Gael. His speech is on record as to why the charges were being abolished and how an increase in taxation would fund water charges. What happened is that a block grant to local authorities covered the cost and that is part of what was taken away. It is not surprising that people would feel they were duped. The speech, which is on the record, could not have been more forthright. People began to stand up for themselves by way of demonstrating. Last week we saw the response of the minority Government in that when people raised their head above the parapet there was a very quick response from the Government because people have now got back a great deal more power. The notion that what is being proposed will satisfy people is nonsense. Essentially, there has been a movement off the balance sheet and people understand that very well.

Irish Water has the stated aim of reducing the leakage rate to 30% over a period of 20 years. Kildare was the very first county where the metering programme started. We dealt with the issue of metering at committee level in advance. We considered what would be the best we could achieve in terms of leakage rate. The best rate that has been achieved by other countries is between 18% and 20%. If a cost-benefit analysis is carried out on a proposal to dig up a motorway to find a barrowful of water and then to repair the leak in question, which is a small one, it does not make sense as there is no benefit for the cost involved, which means there will always be a leakage rate of approximately 20%. Let us remember that Irish Water's target over 20 years was to achieve a 30% leakage rate. The leakage rate in County Kildare was 25% before one meter was put into the ground. That is because there was a very good telemetry system run by Kildare County Council to save water. Because the council bought its water from Dublin it was a means of saving money. It was perfectly possible to have a low leakage rate, way better than Irish Water's target over 20 years, without one meter being put in the ground. There are good local authorities and there are good examples of local authorities doing well and I wish to highlight the example of County Kildare in particular.

The notion that the system that was previously developed is clapped out and of no value is challenged when one looks at the value of the asset that was proposed to be transferred to Irish Water, which amounted to €11 billion. When that is added to a billing system, a metering sys-

tem and a compliant citizenry there is the possibility one can go down the route of privatisation and form a company. That is the way it looked to most people and it felt like that might happen. The premise underlying Irish Water is that citizens would be turned into customers despite the fact that taxes had been increased in 1997 to account for the cost of providing water services. People reacted to being turned into customers for the vital service that is water. People fully understand that water is a finite resource that must be respected and that what comes out of one's tap is not what falls from the sky and that it does need an expensive processing system, modern pipework and treatments plants. People do not need to be told that. They understand it. However, I believe the resistance is about something much bigger. When there was initial resistance, changes were made to provide for a different allowance and the cost was reduced but people still protested. When I was knocking on doors in my constituency, people certainly raised this issue repeatedly on the doorsteps because they no longer were prepared to sit back and watch what was happening. When I spoke on the implementation of the Water Services Bill 2014, I drew attention to the serious questions regarding the convoluted and curious way in which Denis O'Brien, for example, owned Millington and then secured the purchase of Siteserv. A commission of investigation is under way at present and hopefully legislation will be forthcoming to enable it to proceed in a more complete way within the next few weeks. However, this issue was not disconnected from how people felt about this. Irish people are not fools. They were told the Bord Gáis Éireann partnership was designed to save money and then there was the disclosure that approximately €90 million in fees had been paid to consultants and even though this was to be done on a shoestring, it did not end up being done that way. Moreover, that was at a time when people were really strapped for cash and had been told to tighten their belts and all the rest of it. They then saw this gilt-edged quango being set up, for which there appeared to be no shortage of money to do anything. People thought that being turned into customers was a move too far. If there is one thing about which Irish people have knowledge, it is debt and whatever the Government believes will result as a consequence of this commission, the people know that if this becomes a full cost recovery model, the amount that is being charged to people at present will pale into insignificance to what will be charged. I found, for example, that pensioners were making the point that they felt they were being impoverished by going that step too far. Property tax was a major imposition on them and the introduction of water charges was where the breaking point came. Moreover, it was not necessarily the people who traditionally would have come out on protests who were were making those points.

Despite Fianna Fáil, for example, having campaigned on a platform for the abolition of water charges, Members today are debating a proposal to suspend water charges. This is wasting time unless Fianna Fáil Members intend to deviate from the position on which they campaigned. They would be more honest in stating this, if it is now to be their approach, because a majority of Members of this Dáil were elected on the basis of the abolition of water charges. It was interesting to hear the Taoiseach speaking this morning about respecting democracy when it came to the vote in the Brexit referendum. However, respecting democracy also is about respecting the decision people made in the most recent election in Ireland. I believe the suspension of charges is kicking the can down the road.

Water must be paid for and there was a willingness to pay for it in the mechanism that was introduced in 1997, that is, through general taxation. This is a fact and is on the record. However, if one begins to consider mechanisms for charging for excess water, one still must have a metering system. On considering the cost benefit of such a metering system, one could ask whether that is the best way to use funding or whether one would be better off concentrating on locations where it is known there are leaking Victorian pipes. Were one to examine the rate

of leakage in different parts of the country, one could have a more targeted approach where a problem exists, whereas where that leakage rate has been well managed, one would not be obliged to put in the investment. Essentially, the Social Democrats do not have a problem with having an overall national organisation that strategically manages the infrastructure. However, we have a problem with the prospect of it being turned into a privatised company or utility and when the amount of money collected only covers the cost of sending out the bills and collecting that money, that is not the way to proceed. This is part of the reason the Social Democrats have taken the position we have taken on this particular charge. When it came to the question of how one pays for everything during the general election campaign, we had no problem in stating that services must be paid for and we advocated that there would be no erosion of the tax base. However, this is a different proposition and unless the Government listens to what people said, which is that this is much bigger than Irish Water, it will be missing the point completely.

Deputy Eamon Ryan: We do indeed have a sad history, going back through that period in the 1990s and 2000s, in which this issue of water charges has been contentious. We have taken a step forward a number of times towards the introduction of some sort of charge and then have taken a step back and this is the latest in a long series where this issue has been deeply politically divisive and contested. I will go back to my own involvement during that period in particular and to the Green Party's time in government because sometimes in the public debate, one hears discussion to the effect that this was introduced by the troika or by someone from outside.

Alternatively, as Deputy Catherine Murphy has just stated, it was merely done because of the revenue-raising instincts of the Department of Finance to get tax and to get items off the balance sheet. There is a certain truth in that, as this would have been the instinct at the time during that crisis. In truth, however, the concept of some sort of charging system on water was brought forward by the Commission on Taxation back in 2008 or 2009 in advance of the crash. It was part of a wider strategic assessment that Ireland's tax system was too narrowly focused on a number of taxes, including VAT, income tax and at the time, on short-term stamp duty taxes. Members subsequently will have seen the difficulty when one's tax system is not broadly based. In addition, from a Green Party perspective within that tax commission, it was looking at a number of areas to ascertain whether it would be possible to tax in a way that helps to reduce the amount of expenditure or to reduce pollution or to use land more efficiently. Consequently, the concept of a site valuation tax was considered and the concept of a carbon tax was introduced, together with viewing water charges or water taxation in a similar way, that is, by using tax as a measure to try to deliver a signal that we must be efficient in the way in which we use natural resources. To my mind, that logic still applies or I would like to hear the arguments against it because while water may be the most difficult one because it rains so much, it is true that it is a scarce natural resource. As the Minister outlined in his speech, it is also true that Ireland has a significant problem of underinvestment in its water and wastewater treatment systems. That tax commission report was not carried out on the basis of some ideological privatisation-seeking crisis management effort by the Department of Finance to try to manage the fiscal crisis Ireland faced; it came from a strategic assessment from within the State as to how in general we should develop our taxation system that delivers other benefits, as well as revenue raising.

The former Minister for the Environment, Heritage and Local Government, Mr. John Gormley, and I included it in a revised programme for Government with Fianna Fáil. While we had contentious debates on many matters, it must be stated that, having been involved in it, to my recollection water charges were not one of them. The former Minister, Mr. Gormley, came forward with various proposals as to what might happen. There are many reports that it was

going to be a €500 charge and it is true the Department of Finance and others probably would have been looking and thinking this was the sort of level of revenue they might have wished to get but that was not in the mind of the former Minister, Mr. Gormley. I believe he was first and central in recognising this proposal would be deeply contentious and that it would be necessary to address the issue about potential privatisation mentioned by Deputy Catherine Murphy. He had proposed doing so at the time by having a referendum in order to be certain this would not be a privatised commodity. During the last week of that Government, the Green Party had left office, there was a change in terms. The Pricewaterhouse Coopers consultancy report had been commissioned to look at how a utility-type model might be set up. It was changed under the Fianna Fáil Administration in the last week of that Government and changed again when the new Government was formed. In my mind, that was the mistake that moved us towards an excessively commercial-oriented type of utility model. We have been paying for that, along with the sad saga that Deputy Murphy set out about how it was debated in the Dáil and subsequently introduced.

That commercial type of utility model implies that water is just like an electricity or telephone bill. I do not believe it is. There is a certain fundamental difference with water in that people have a right to water. We have a right to water because it is a basic commodity for a right to life. It is not a commercial commodity in the same way as electricity or telecommunication systems. It deserves that distinction. Even if a utility is not to be privatised and is to remain in public hands, it could be a standard utility like the ESB. I know from experience that the ESB is very much concerned with, keeps an eye on and is attentive to whatever the bond market thinks of its investment strategy because in large capital-oriented investment businesses, the cost of a company's borrowing has a key effect on a business model. In effect, a standard commercial utility is very much connected to the private bond markets in terms of what it can and cannot do. That is not how we should be running an Irish water company.

The question now is where do we go from here? The Green Party will be supportive of the proposal to establish a commission to look at the options, bring them back to the Oireachtas and form a committee. The commission will have a difficult task. To a certain extent, what it has to do is break the issue down to certain component parts in order that it is not simply a monolithic "Yes" or "No" decision. I do not think anyone has the wisdom to be able to parse out this argument or reach a resolution if it is left as a single "Yes" or "No" decision.

I will briefly discuss some of the issues that the commission must consider. I believe it should look at the ownership issue. It should look at the option put forward by several parties, including the Green Party, of a constitutional referendum in order that the public ownership of the public water supply is absolutely guaranteed. I would like to see if we could go further than that because our Constitution is remarkably weak when it comes to protecting environmental resources. A very good conference was organised by Green Foundation Ireland last year, which recognised that our constitutional law is not in tune with either European legislation or our own national legislation in providing that belt-and-braces protection and respect for our natural environment. I believe the introduction of a constitutional referendum to ensure the public ownership of water could be tied in to a recognition that we have a responsibility to maintain, manage and protect our natural resources and our water supply in particular. That could be done very quickly. It is not easy. We know referendums are always difficult. If this debate is not just about Irish Water, as Deputy Murphy rightly says, then let us address the other issues and bring certainty to them as a way of coming to an agreement on what to do with our water system.

Just as there should be a right to water in a constitutional sense, I believe it makes sense that

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there should be a basic free allowance if we introduce a charging system for water. The right to water ought to extend such that even if one was in deep financial difficulty, one would still receive a basic free allowance of water which one is not charged for and is one's by right. We ought to extend that concept of the right to water. That is why we have been arguing, as have others such as Mr. Jack O'Connor of SIPTU who have made similar points, that we could introduce a system in which we introduce charges only on the wasteful use of water and in which every citizen - man, woman and child - has the right to a basic allowance which is not charged.

If we can parse out and manage the ownership and basic right to water issues, there are then the issues of how to fund it. We should not look for a funding model that completely removes the role of general taxation. When it comes to how much money we need to spend in updating our water system and wastewater system, the reality is that the bulk of the money is still going to come from our general taxation system. There are those who argue that it should be the only source. First, they fail to acknowledge that we need to increase significantly investment in water. If we are to fund it all via general taxation, it means taking money from other investment requirements that we have. Second, if we do not have a charge of some sort on water, an incentive or a pricing mechanism, I believe that as a State, over time, we will not pursue conservation or the better management of a water supply system. That means that we will pay more in the end. It is a more expensive system if we go back to the old way.

It depends on how the question is put. If we can look at it in the framework of how we can really save money through using less water, managing it wisely, investing for the long term in order that we are not spending money on a treatment of pollution system that is not working, I believe the people will support some sort of additional charge. That raises a certain amount of revenue and helps us to invest. Critically, it helps us to save. That is the cornerstone of the issue of charging. I believe we should have a charging system to provide that incentive for conservation.

It also opens up other funding options to us through going to the EU, the European Investment Bank or other sources of funding to source long-term, low-interest rate borrowing for a system which is not reliant on the bond markets. We do not want to be going over to London or Frankfurt to international banks or private equity firms looking for bond market funding. We should be able to go in a public way to the EU or the European Investment Bank to look for European funding for critical infrastructure to help pay for what we need to do. We will not get that funding or have a leg to stand on if, at the same, we are saying that we do not buy in to the Water Framework Directive and that we are not implementing, like every other country, some sort of system which recognises that water is actually a precious natural resource. We must give some signal to make sure that water is not wasted.

That brings me to the next question of whether we should have metering. I have listened with respect to what Deputy Murphy said about Kildare previously having a leakage rate of only 25%. I had a similar experience in Dublin City Council during my time there. We had a very high leakage rate in the late 1990s and we made a strategic decision to address some of that. It is not perfect and there is still a large amount of leakage, but it was not as if we were doing nothing. Metering is not the be all and end all. Others argue that we could save regardless of metering. I have a number of different points on metering. There are those who say that identifying the leaks and so on and having a price signal with metering might allow people to save 10% to 15%. Even that amount could be critical in a city such as Dublin, which is on a knife edge in terms of having enough water supply.

There is a broader technological aspect to this. The way the world is going is towards managing water supplies and natural resources in a much more co-ordinated way in which the internet of things will lead to a whole range of sensory devices which look at how our natural systems work and how our resources are being used. That is the way the world is going. For us to move away from that and to say that we do not want to be part of the connected, clever management of natural resources using new sensory systems is, in my mind, a step away from where any progressive country is going. I believe we need metering. We need to know. If we are not monitoring, we are not managing. Metering is needed for that reason as well as being a way to help us to save water.

In terms of structure, we need some sort of utility for the central billing, management and planning of the overall system, for raising finance and so on. I believe there is a case, as I said to Irish Water - I know it is recognised in some of its internal structures - to devise a system which is based on more regional recognition that the river catchment systems are a natural regional structure. We should manage our water in connection with those natural geographic structures. The Minister will need a plan to manage flooding, climate change, transport, housing and other systems which are similarly regional in structure.

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On an issue such as climate change and flooding, we must go from the mountain top down to the sea and look at land use connected to that with regard to carbon, minimising flood risks and so forth, as well as providing enterprise opportunities for our people. Given that this level of regional planning and regional investment decision-making is required, and I believe freedom should be given to each region to examine how best to manage its resources and regional plan, it makes sense to have a water utility that has separate regional structures beneath it which have real autonomy and strength. We will not achieve that if we return it to county councils, because that is the wrong level. The smaller councils do not have the necessary resources and it does not address the reality that the counties are connected within a wider river catchment system.

I do not know how the Minister's proposal will work, but I hope it does. I hope this Parliament will not fall on this issue a year hence and perhaps prove all the cynics right when they say that it could not organise a new politics or do consensus or collaboration. I am not sure how it would vote ultimately if various calls were put to it that would break down all the issues in a slightly different way from a "Yes" or "No" vote. This is a citizens' democracy and this Parliament is a good representation of the Irish people. The majority of Irish people, in my experience, if one talks to them about this issue in a detailed way, recognise that we must have some type of charging system other than general taxation, as long as it is fair and based on conservation, not just on raising revenue. If we can get a commission to come forward with a mechanism to approach it, there might be a majority in the House similar to the majority of Irish people who are willing to pay. Nobody likes it. It is another bill arriving, God help us, and that is tough. We must also look after those who cannot pay.

Many Deputies say there is an absolute cast-iron majority against any type of charge for water, but I am not so sure that is true. I look forward to a commission that might be able to approach the argument in a way that considers it through a range of questions, not just one "Yes" or "No" question based on slogans rather than on sense.

Minister of State at the Department of the Taoiseach (Deputy Regina Doherty): It is

teeming outside so it is apt that we are in the House talking about water. Politicians are regularly accused of having no long-term vision on certain matters, and commentators and opinion writers like to condemn us for having only an interest in the short term. They accuse us of never looking beyond the next election or issue and only telling the public what it wishes to hear. That is untrue. The reality is that governments are obliged to make difficult decisions, particularly decisions that are in the best long-term interest of the people they must serve.

As we have seen in the last number of years on a variety of issues, reform and change are rarely embraced by people and are usually viewed with suspicion. When the change is also the target of scaremongering, often by groups who know that the myths they are telling are baseless, it can be difficult to make progress even if the reform is the right thing to do and will be for the long-term benefit of everybody. The introduction of water charges is an example of that. It is worth remembering that it was the Fianna Fáil and Green Party Government that made the original commitment to introduce domestic charges, because it was the right thing to do. The Fine Gael and Labour Party Government sought to introduce a fair system of water charges. The original system provided a free allowance for households and an additional free allowance for children. It provided the basis for investment in our water services to allow for upgrading of the water infrastructure, the replacement of the Victorian or lead water pipes that keep the water flowing in our towns and cities, a reduction in the number of households on boil water notices and to make the pumping of raw sewage into our rivers and seas a thing of the past.

Charging for domestic water services is the right thing to do. High-quality public water services and the ongoing high cost of the investments they require are vital for public health, protecting the environment and developing our society. Providing treated water to a house and maintaining sanitation services have a cost, and it is fair that those who use the services the most contribute to it. It is wrong and unfair that those who conserve water must pay for those who do not. Those who oppose a fair water charge for services claim that it should be paid through our central taxation system. Why should a family who takes steps to use water in a way that conserves it and is environmentally conscious and aware have to pay to subsidise families who do not and do not give two thoughts to the cost of maintaining our system or of supplying water to our houses?

The Bill will suspend domestic water charges for nine months. It will not affect the existing arrears of people who have not paid or the bills that are outstanding. Those who have tried to avoid water bills to date should not be allowed to walk away without paying them, and those who have acted within the law and paid their water bills to date should be assured that they will not be allowed to be taken advantage of by a minority of people who try to opt out of their legal duty and expect their neighbours and the rest of society to pay for them.

The Bill will allow for an extensive deliberative process to consider the funding of domestic water services. First, the Government will establish an expert commission to review and make recommendations on a sustainable, long-term funding model for the delivery of domestic water and wastewater services. A special Oireachtas committee will be established to consider the recommendations made by the commission and to bring the overall proposals to the Oireachtas. Finally, each Member of the Oireachtas will consider and vote on those recommendations.

The treated water we provide is not a cheap commodity. We must pay for it in some way and it should not be a system whereby people who do not consider the water they use are being subsidised and paid for by neighbours and family and friends of those who do. Our water services should operate under a national structure where upgrades can be planned and delivered in

a meaningful way, not smashed into 30 or more independent services with no overall national vision for the country's services. There should be a proper, planned investment structure backed up by the money to make it a reality. There should not be a continuation of what existed in the decades before the system was reformed in 2014, because it is clear that it was not working.

We have a legacy of under investment in our water services. In January 2014, 49% of all water was lost through leakages, 945,000 people were using drinking water that required remedial action and 44 urban areas were releasing untreated sewage into our rivers and seas. It is definitely not something we could have continued. By the end of 2015 the new structure had started to make progress. We had 20 new water treatment plants, 49 new wastewater treatment plants had been delivered and 500 km of pipe work had been either repaired or replaced. It was off to a good start and going in the right direction. By the end of February last, under the first-fix scheme of homeowner repairs, 39.5 million litres of water per day had been saved and thousands of people had been taken off boil water notices.

I accept that the parties elected in the recent general election have very different views on this issue. Obviously, that reflects society in general. Some on the left and far left wish to abolish all charges and return to what I believe was the flawed system of the past. Others wish to suspend charges for a period of time. I wish to retain the system of charging which allows everybody to pay on the basis of what they use and to be recognised and rewarded for what they save and conserve. Deputy Eamon Ryan spoke about new politics. No single view on water has a majority in the House. The Bill facilitates a compromise whereby the charging system can be suspended so the review that will take place can recommend a structure that will give us publicly owned, high quality water services and that also has the funds it requires to carry out the extensive work that will have to be done in coming years. I look forward to hearing the views of the commission and to its recommendations. Obviously, I hope they will be similar to the views I hold, but I am open to listening to all views and to making our consideration when we return to this nine months hence.

Deputy James Browne: This Bill reflects the first part of the Fianna Fáil agreement on facilitating a minority Government that will see water charges immediately suspended and their future decided by the Dáil. It is the effective end of water charges. In addition, Irish Water will remain in public ownership.

It is clear that water charges have failed. In 2015 only 53% of bills were paid, with annual revenue of €144 million. The water grant accounted for a further €100 million and €41 million is due in interest repayments over the period, with another €25 million for administrative costs. On this basis, the State actually lost a total of €22 million on its water charges regime in 2015. We need to end this failed regime and this process will do just that. We need a window of opportunity when ending water charges to resolve the Irish Water situation and move on to other, more serious political issues, such as education, housing and the hospital crisis.

Contrary to media reports, the European Commission has not said Ireland must impose water charges. It reaffirms the established practice derogation. The legal advice is clear that this has been the case since the directive was first transposed into Irish law. In any case, all of these issues will be considered by the expert commission and special Oireachtas committee before the Dáil votes. All of the key details can be considered with due regard.

The Bill enables a nine-month suspension of water charges, with an additional provision for an extension of the period to enable the special Oireachtas committee to complete its work. The

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suspension period comes into effect from 1 July 2016. No new bills will be liable until at least after 31 March 2017, by which time the Dáil will have voted on the future of the Irish Water charging regime. This will give sufficient time for the Oireachtas to consider the potential options. Fianna Fáil support for the minority Government is contingent on the Minister granting sufficient time for the committee to conclude and a Dáil vote to be held.

Water was only one of a number of issues to be addressed before Fianna Fáil agreed to facilitate a minority Government. However, it was necessary to be resolved in detail or the Government was threatened with being pulled down at any moment. Under the Bill, water charges will be immediately suspended. In the interim period, an expert commission will report on the best method to fund water services and a Dáil committee will then make recommendations to the Dáil. The Dáil itself will make the final decision and water charges can only be reintroduced if the Dáil votes to do so. The Government will have to facilitate whatever option a majority of the Dáil endorses. The Bill effectively ensures that water charges can only be reintroduced if the Dáil votes for it. As the majority of Deputies are against the reintroduction of water charges, it cannot be envisaged that they will be reintroduced.

Irish Water will be subjected to a new oversight body and will remain in public ownership. This will keep down costs and help ensure greater efficiency. Fianna Fáil is not opposed to a referendum on keeping Irish Water in public ownership but this needs to be thought out very carefully, including the impact of any unintended consequences.

The European Commission has confirmed the central role of established practice in Article 9.4 of the Water Framework Directive of 2000. Our interpretation is that it remains in place. A reply from the Commission to Lynn Boylan, MEP, began with the word "If" and, therefore, was completely subjunctive in its language and only spoke in the abstract. This flexibility of member states was confirmed on 5 December 2014, in a reply to a parliamentary question posed by Nessa Childers, MEP. The Commission stated the responsibility for implementation of the directive lies with member states and there is no obligation to follow particular schemes or methods and that there is no specific requirement in Article 9 of the directive for cost recovery based on individual consumption.

Ireland faces a range of issues, not simply the argument around water, and the Dáil is obliged to confront these matters. As I stated, housing, health, education and our justice system are in crisis and all need careful consideration and reform. Fianna Fáil is committed to giving practical effect to our manifesto and facilitating a stable minority Government to ensure the country is given the leadership it requires. This brings an end to water charges and it cannot be envisaged they will be brought back. It will give time to consider just how our water will be delivered in the coming decades.

Deputy Eugene Murphy: I thank my colleagues, Deputies Fleming and Browne, for sharing time. I welcome the fact the Minister has introduced Second Stage of the Bill in the House as well as his contribution this morning. I will not repeat all of what our party's spokesperson, Deputy Barry Cowen, said on this issue but it must be acknowledged throughout the House that, in general, Irish Water was not working. Many people were not paying their water rates. There has been huge public expenditure on Irish Water and we were not getting value for money. This does not mean some good work was not done by Irish Water. It was but in facilitating Fine Gael to form a Government, we were adamant as a party that this issue had to be dealt with. The suspension of water rates means water rates are now gone. We hope when the commission deals with the issue over a nine to 12-month period, there will be a better formula and that it will

be protected as a public utility.

I wish to bring to the Minister's attention the need in my constituency to deal with boil water notices. I acknowledge what the Minister has said that there have been vast improvements in parts of County Roscommon in getting rid of 20,000 boiled water notices but in north-east Roscommon, we have boil water notices for more than 5,000 people. The Minister knows what this does to families, restaurants, businesses and schools. It is a huge inconvenience and hindrance to people. This boil water notice has been in place for more than two years. A temporary ultraviolet system to deal with this is supposed to be up and running but there is some difficulty with it. It is absolutely imperative that we get this matter in my constituency sorted out as quickly as possible. Another reason we need a good water policy can be seen in another part of my constituency, Glenamaddy, where I was called to a meeting recently. There is a problem with a group water scheme. I know Irish Water will get involved in this and the necessary works that need to be done will be done.

It is important for me to make these points today. It is significant that we are moving ahead with the Bill and that progress is being made. Perhaps at some stage the Minister, through Irish Water, will come back to me on the issues in my constituency that I have raised.

Deputy Sean Fleming: I welcome the opportunity to speak on the Bill. It is important to recognise and put on the record that everybody supports a good water service. All sensible people would support a national utility to deliver this service and everybody accepts that the system whereby it was done by local authorities on an individual basis was wholly inappropriate, ineffective, not good use of taxpayers' money and did not lead to the delivery of a good service. However, the Bill we are dealing with today, the Water Services (Amendment) Bill 2016, is about dealing with the failed financial fiasco which is Irish Water. The tragedy of the past two years is that when we badly needed improvements in our water services, how people went about introducing water rates set back and harmed the delivery of water services in this country. We have had less investment in water services in the past two years since Irish Water was established than previous years. This is because all of the energy and activity was directed towards pursuing customers for their bills. All of the management and executive time was hell-bent on following this agenda rather than the core principle of delivering and improving a water service.

On the financial side, we are here because Irish Water is a failed financial fiasco. EUROSTAT stated this and called the bluff. People thought that by trying to keep the €100 the Department of Social Protection gave to people out of Irish Water's financial accounts in some way it would not be taken into account. EUROSTAT saw through this as did everybody. The emperor had no clothes when it came to this issue and nobody other than those promoting the idea that it would not be taken into account believed it. EUROSTAT called it for what it was. This was the first big financial failure of Irish Water. People at home did not buy it and people in Europe did not buy the financial model that is Irish Water.

Regarding water charges, in 2015 only 53% of bills were paid, with an annual revenue of €144 million. My colleague, Deputy Browne, highlighted this but it needs to be said time and again. Some €100 million was spent on the water grant, €41 million is due in interest-free payments over the year, and another €25 million went on administrative costs. On that basis, the State lost €22 million by trying to introduce domestic water charges. That has to come to an end.

Fine Gael is wedded to the domestic water system. The Taoiseach has said so, which fright-

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ens people, but he is the leader of a party that commands less than a third of Dáil membership. When he makes a statement on this matter, it has to be taken into account. We live in a democracy and not in a situation in which the Government can just put something through, as happened on several occasions in the last Dáil when the Opposition walked out because things were being guillotined and jackbooted through. Thankfully, those days are over. I do not think people appreciate that type of government; they appreciate a more collective and inclusive, consensus-type Government.

We now have to look at various aspects of what will happen. The issue of people who paid the bills that were legally due will possibly surprise people. I do not know if people have said this. When people came to me as an Opposition Deputy in the last Dáil or in recent weeks, because bills will arrive up until 1 July, I told them that it is a legal debt and that they should pay their debt. It is like the TV licence; one should pay it. People might not like it and we do not agree with it, but it is a legal debt and the way to deal with it in future is to try to change the legislation. The people who have paid their bills cannot be made fools of. Given that approximately half of people have paid their bills, the question has to be asked as to what will happen to the others who have not paid. The Government talks about pursuing those people completely to collect that money. On the face of it, that is the right approach, but I will put forward another point of view. What will happen if people who have bills for €260 end up being taken to court, if that is decided? The person will go in, dispute the bill and the case will be adjourned. They will probably have received free legal aid and Irish Water will be paying a solicitor on the other side. Then it will be adjourned for a month and it will come back and people will claim they never received the bill in the post. The judge will adjourn it again and both sides will get their legal fees. Eventually, after several court appearances, which is what happens in our courts, the judge might declare that the bill is to be paid. Some people will be there on a matter of principle waiting for that judgment and will say they will not pay it. What do the State and courts do when court orders are disrespected? It leads to another round of legal disputes and solicitors. If there is approximately €140 million to be collected, it has to be weighed up against the costs of collecting it in legal fees, court appearances and debt collections. The way the system works in Ireland, I cannot see that €140 million being collected for less than €140 million. The time might come when it would be a cheaper option to hand the money back to those who paid, because we would still be here in five years chasing some of that uncollected money. We all know where that will end up. The Comptroller and Auditor General will do a report and say it was done the wrong way. I am not suggesting the money should be handed back but I am saying it is an option that has to be looked at compared to the option of trying to collect what is outstanding. What is outstanding will not be fully collected no matter how long we give it. Ultimately, if there is disobedience of court orders, people will happily do the afternoon in jail rather than pay a bill. The Minister should take that into account.

I ask Irish Water to publish its annual accounts for 2015 because it is now the end of June 2016. Ervia is one of the biggest companies in the country. I consider it unacceptable that six months into the year it has not published its audited accounts for 2015 so that we can have a full examination of them. It will probably happen soon but it should have happened months ago. Most big public companies publish their accounts within a couple of months of the year end, yet six months on we do not have access to those accounts. I look forward to their being published in the near future so people can properly assess them.

There has been much made about the progress made by Irish Water. However, all the plans that came to fruition and the projects that went to tender and construction, which Government

Ministers regularly talk about, would have happened if Irish Water did not exist. They were all in the pipeline, to use a famous phrase. Irish Water claims credit for those and says they are happening under its watch.

I agree with Deputy Ryan of the Green Party that water services should be provided on a river catchment basis. In south Leinster, the Barrow, Nore, Suir and Slaney rivers all run down that side of the country. If we do something in Portarlington, Portlaoise, Castletown, Mountrath, Athy or Carlow, it affects what happens in Waterford, because the rivers run down through there, so it needs to be done on a catchment basis. I am talking about the prioritisation of work, not mini-boards, and it should be done on that basis rather than by a local authority. I agree with Deputy Ryan on that and I have put it on record here on several occasions in the past.

The Deputy also talked about the knife-edge supply in the Dublin area and he was right. There is only one reason for the knife-edge supply of water in the Dublin area - almost 50% of it is going to waste. The first thing that should be done is to try to stop the waste, and bringing water from Lough Derg may be required. I have no idea but if even half the waste of water in the public mains, which happens before it goes to people's houses, was eliminated there would be no knife-edge supply issue in the Dublin region or any other region. That has to be looked at. People talk about using our natural resources. The worst use of a natural resource is to go to all the effort of putting in the reservoirs, having the water treated and putting the pipe system in place to deliver it to houses, industries or commercial customers only for much of it to go to waste. It is very important to note that 85% of the waste is in the public domain. Much has been made here about the savings in people's houses since meters went in. That is welcome and is to be appreciated. It is a good thing but the main waste is happening outside people's private properties. That is where Irish Water should be concentrating its efforts first.

What is needed is district and local metering, which some of the local authorities are starting to do. When supply comes out of the reservoir, the pipe network splits off to serve different areas. There should be meters at each of those junctures so we know what came in at the pipe a mile up the road before it was split up. If there is a housing estate of 200 or 300 people they should know what is going into the pipe in that housing estate. If it breaks off into culs-de-sac with ten or 20 houses there should be a meter at that point. They will know very quickly where the wastage is in those estates and might be able to identify the particular private property it is happening on. Most of the waste is in the public domain, so Irish Water cannot blame the customer who does not get the water for the percentage of waste. That needs to be eliminated.

Another issue that has to be looked at is factoring in the financial situation of Irish Water. My knowledge is that we are only in phase 1 of the metering project, which is fewer than 1 million houses. Some 600,000 houses still have not got meters. They are the complicated houses. We know that about 300,000 housing units might never get meters because it might be physically impossible to get up and down through some of the buildings. At the moment, the only metering going on is where there is a single connection from the mains to a single domestic house. Anywhere there are two buildings off the mains, they are not being metered. Anywhere there is a house or a farm with no commercial meter they are not being metered. Phase 2 of the metering project will be a more expensive process per meter than phase 1 because we are dealing with the more complicated cases that were not dealt with in phase 1. The cost of the phase 2 metering project could be another €500 million. This is to get the last 300,000 or 400,000 over the line in terms of public meters. That €500 million would be better spent on fixing the leaks on the public mains. We have to go back and look at that. Deputy Browne has covered the established practice in the EU, which is being misrepresented by many people. The jury is

out on that issue.

I have a concern about the movement of responsibility for Irish Water to a new Department of the environment, because now we will have the local authorities involved in delivering the service. We will have the Department involved in delivering the service. We have a regulator *in situ*; we have Irish Water, the national body, and somebody talks about a new oversight body. It is a recipe for more disaster.

Acting Chairman (Deputy Bernard J. Durkan): I call on Deputy Ruth Coppinger to move the adjournment of the debate because the time has elapsed.

Deputy Ruth Coppinger: I move the adjournment of the debate.

Acting Chairman (Deputy Bernard J. Durkan): She will be in possession on the next occasion. Is that agreed? Agreed.

Debate adjourned.

Business of Dáil

Acting Chairman (Deputy Bernard J. Durkan): I call on the Minister of State at the Department of the Taoiseach, Deputy Regina Doherty, to make a statement to the House.

Minister of State at the Department of the Taoiseach (Deputy Regina Doherty): I propose, notwithstanding anything in Standing Orders, that the Dáil on its rising today shall adjourn until Monday, 27 June 2016 at 12 noon and the business to be transacted shall be statements on Brexit and the following arrangements shall apply: the statements shall, if not previously concluded, adjourn at 8 p.m.; the statement of the Taoiseach and of the leaders of Fianna Fáil, Sinn Féin, Labour, AAA-PBP, Independents4Change, Rural Technical Group and Social Democrats-Green Party, or a Member nominated in their stead, shall not exceed 20 minutes in each case and such Members may share their time; the statement of a Minister or Minister of State and that of the main spokespersons for Fianna Fáil, Sinn Féin, Labour, AAA-PBP, Independents4Change, Rural Technical Group and Social Democrats-Green Party, or a Member nominated in their stead, shall not exceed 15 minutes in each case and such Members may share their time; the statement of each other Member called upon shall not exceed five minutes in each case and such Members may share their time; and a Minister or Minister of State shall be called upon to make a statement in reply which shall not exceed five minutes.

Acting Chairman (Deputy Bernard J. Durkan): Is that agreed? Agreed.

Paternity Leave and Benefit Bill 2016: Order for Second Stage

Bill entitled an Act to entitle certain employees who are relevant parents in relation to a child to employment leave for the purposes of enabling the employee to provide, or assist in the provision of, care to the child or to provide support to the adopting mother, sole male adopter or mother of the child, as the case may be, or both; to entitle a surviving parent to employment leave on the death of a relevant parent; to extend the protection against unfair dismissals conferred by the Unfair Dismissals Act 1977; to provide for the payment of paternity benefit to

certain persons and, for that purpose, to amend the Social Welfare Consolidation Act 2005; and to provide for related matters.

Tánaiste and Minister for Justice and Equality (Deputy Frances Fitzgerald): I move: “That Second Stage be taken now.”

Question put and agreed to.

Paternity Leave and Benefit Bill 2016: Second Stage

Tánaiste and Minister for Justice and Equality (Deputy Frances Fitzgerald): I move: “That the Bill be now read a Second Time.”

I am delighted to present this Bill to the House today, the purpose of which is to give effect to the decision in budget 2016 to provide for two weeks’ paternity leave and an associated social welfare benefit, known as paternity benefit, from 30 September this year. I, like many others, have been a strong advocate for the necessity of paid paternity leave for many years, and accordingly this legislation has been a priority for me since the new partnership Government was established in May.

As a parent, a former Minister for Children and a mother, I know how important it is for fathers to have the opportunity to be involved at the earliest stages of a child’s development. It is in a child’s best interest to benefit from the care and attention of both parents, where possible, in his or her early years. We have a huge amount of research now about the importance of early intervention and we know that early intervention, investing in a child’s early years, leads to better outcomes for both the child and for wider society. When enacted, this legislation will allow new fathers, including fathers of adopted children, to start the combined package of paternity leave and paternity benefit at any time within the first six months following birth. The Bill also provides for same-sex couples on an equal basis with other couples. Regarding the operation of the scheme, the Department of Social Protection will provide a minimum of paid paternity benefit of €230 per week for the two weeks of paternity leave. I believe that the State can and should support families as they deal with all the different pressures they face. This legislation introducing two weeks of paid paternity leave in addition to the existing payment of maternity benefit means that the State now offers a total of 28 weeks of paid support to parents upon the birth of their child. By providing this investment in the child’s early years, we are seeking to improve outcomes for children and families. I hope the Government will be in a position to extend this provision further in the years ahead, subject to resources being available.

The genesis of the Bill is a decision by the previous Government to introduce two weeks’ paternity leave and the associated social insurance-based benefit payment in budget 2016. In January 2016, the Government approved the general scheme of the paternity leave Bill, priority drafting of the Bill and the insertion of the final text of the Bill as a new part of the proposed family leave Bill, in the event that the family leave Bill was sufficiently progressed as to allow its enactment before the end of the current legislative session in July 2016. On 22 March, however, on foot of a memorandum brought by the then Tánaiste and Minister for Social Protection, Deputy Joan Burton, to whom I want to pay tribute for the work that she did on this in the Department of Social Protection, the Government agreed that the matter should be progressed as a stand-alone Bill. During the recent programme for Government negotiations, I was keen to ensure the new Government would reaffirm the commitment to introduce paternity leave

and I am glad that the new programme for a partnership Government includes a commitment to introduce two weeks' paternity leave and to significantly increase parental leave. Since the Government was formed in May, it has been a key priority for me to progress the Bill through the House so that the new regime can be in place for September. It has also been a priority for my colleague, the Minister for Social Protection, Deputy Leo Varadkar.

Careful attention has been devoted to the drafting of this Bill. At one level, the Bill deals with a simple issue, namely, the creation of two weeks' paternity leave and a paternity benefit. However, there were also quite complex issues regarding the interplay with maternity and adoptive leave that had to be resolved. These relate to rare and tragic situations that we must cater for, including stillbirth, death of a newborn baby or death of one of the parents. Essentially, we take a most humane approach. If the baby is stillborn or dies, of course the entitlement to paternity leave still continues, and if one parent dies, the other parent inherits whatever leave has not been taken. Amendments also had to be made to the Workplace Relations Act 2015 and the Social Welfare Consolidation Act 2005. The drafting of the Bill, therefore, was painstaking, challenging and required in an extremely short space of time in order for the scheme to be operational by September. I want to thank the drafters of the Attorney General's Office who have been so careful, conscientious and assiduous in their approach, even when working under severe pressure. I also want to thank the Department of Social Protection, which worked so effectively with my Department to bring this work to fruition, and of course the officials in my Department. We had a very small window of opportunity to enact the Bill, and I very much appreciate the support of the Opposition and I hope that we can get this Bill through the House so that the payment can be made in September. The assistance of everybody involved is very much appreciated.

Regarding the main provisions of the Bill, section 1 contains the Short Title while section 2 defines the various terms, including, for example, "relevant parent". Obviously, that means the father in most family circumstances. The Bill has also been drafted to provide for same-sex couples. Paternity leave can be taken by one person only, save in the case of adoption, where the Bill allows for circumstances where the father will have taken paternity leave, by ensuring that the adoptive father can subsequently also take paternity leave. Section 3 clarifies that the Minister has a power to make regulations regarding anything said to be prescribed in the Bill. There are some other standard provisions in Part 1.

Part 2 contains the outline of the entitlement of two weeks' paternity leave and what governs the operation of paternity leave. Section 6 is one of the most important provisions in the Bill as it creates the entitlement to two weeks' paternity leave. In section 7, we lay out how the parent must inform the employer of the intention to take paternity leave and the documentation required. It must usually be applied for four weeks in advance. Section 8 provides the detail of how it can be taken in one continuous period of two weeks at any time commencing on the date of the birth, or placement in the case of an adoption, and ending not later than 26 weeks thereafter. This means that a couple can choose to avail of the leave at the time of the birth or at the end of the period of paid maternity leave. Thus, if they choose, they can have 28 weeks' continual paid maternity-paternity leave or any time in between. Section 9 provides for relaxation of the normal notification period in cases where there is an early birth. Section 10 provides for postponement of paternity leave that has been applied for but not taken, in the event of postponement of the day of placement or the date of confinement. The rest of this Part goes into various details regarding postponement, for example, in the event of sickness or hospitalisation. We then had to make the changes to the Maternity Protection Act regarding the definition of

“relevant parent” and the Adoptive Leave Acts. Section 15 provides for that transfer of paternity leave to the surviving parent where a father or other relevant parent dies while having an entitlement to paternity leave that has not been used, so obviously we had to deal for these sad and exceptional circumstances.

Section 16 contains a number of provisions that deal with the abuse of paternity leave. A key requirement is that paternity leave must be used for the care of the child to which the leave relates.

Part 3 relates to the protection of the employment of employees who avail of paternity leave.

There are some technical provisions also. Section 17 refers to where paternity leave is legitimately postponed and the issues around that. The preservation and suspension of certain employment rights while on paternity leave is dealt with in section 18 and is in line with the existing legislation in this regard as it relates to maternity and adoptive leave. Section 19 is also an employment rights protection provision which voids purported termination of employment if the employee is absent from work on paternity leave at the time. That follows the maternity leave regime we have in place.

Section 20 provides that certain notices of termination or suspension of employment must be extended if notice is given before the employee begins a period of paternity leave or before the receipt by the employee’s employer of a notification of intention to take paternity leave. Again, this follows the arrangements we already have in place for family leave. Section 21 prohibits penalisation of the employee for proposing to exercise or for having exercised his or her entitlement to paternity leave, and is a standard provision in our equality legislation. The other sections outlined in my script set out the various arrangements the employee must make to the employer. Section 24 provides for delayed return to work in case of an interruption or cessation of work at an employee’s place of employment. Section 25 sets out the provisions that apply where an employee is not permitted to return to work.

Part 4 deals with the resolution of disputes. These provisions dovetail with the reformed and streamlined redress mechanisms provided for in the Workplace Relations Act 2015.

Section 26 is a technical provision, which excludes the Defence Forces from the application of this Part and also excludes disputes involving dismissals, which are dealt with under unfair dismissals legislation. Deputies can see the interaction with the various other items of legislation we have, all of which needed to be worked out in regard to this legislation. Section 28 is a required feature of gender equality legislation. In essence, it provides that in any proceedings where the established facts carry a presumption of discrimination, it is for the respondent to prove the contrary.

Part 5, a very important Part of the Bill, provides for the amendments to the Social Welfare Acts to provide a new social welfare payment to be known as paternity benefit.

Section 29 includes paternity benefit in the description of benefits in section 39 of the Social Welfare Consolidation Act 2005 while section 30 defines a number of terms used in regard to paternity benefit, provides entitlement to and duration of paternity benefit, outlines the social insurance contributions that will be required, details the rate of paternity benefit that will be paid and allows regulations to be made to outline the circumstances where a person may be disqualified from receiving paternity benefit.

Part 6, which is the miscellaneous section, mainly focuses on consequential and technical amendments to other primary legislation.

Section 31 amends Schedule 3 to the Redundancy Payments Act 1967 to take account of paternity leave. Section 32 amends section 6 of the Unfair Dismissals Act 1977 to include dismissal arising from the exercise or proposed exercise of the right to avail of paternity leave. Section 33 amends the Maternity Protection Act 1994 to ensure that a mother to whom paternity leave is transferred on the death of her partner can take that transferred leave at the end of any remaining period of paid maternity leave to which she is entitled.

Section 34 amends the Adoptive Leave Act 1995 to ensure that an adopting parent to whom paternity leave is transferred on the death of the other parent can take the transferred leave at the end of any remaining period of paid adoptive leave to which she is entitled. We then have section 35 which amends section 126 of the Taxes Consolidation Act 1997 to provide for the taxation of paternity benefit. Section 36 amends the Workplace Relations Act 2015 to ensure that disputes in regard to paternity leave are covered by the adjudication and redress procedures set out in that Act. Section 37 provides for the maintenance of paternity leave records by an employer.

Ireland's introduction of paternity leave at this juncture is particularly timely given that the European Commission is reviewing its policy options for better addressing the challenges of work-life balance faced by working families, which we know remain considerable. I hope that the Government will be in a position to extend this provision further in the years ahead and I strongly support the commitment in a programme for a partnership Government to significantly increase parental leave in the first year of a child's life over the next five years. In this regard, the process of examining the case for an increase in the level of parental leave should be taken forward under the aegis of the Cabinet Committee on Social Policy. I have no doubt that the relevant committees in the Dáil will also examine that. That committee might also take forward the implementation of the recommendations of the inter departmental group on future investment regarding additional paid parental leave, which could be taken by either parent immediately after the paid maternity leave and paid paternity leave and, as resources allow, resulting in one full year of paid parental care for children under one. There are so many families who would welcome that and feel hugely supported when we arrive at that position.

Evidence does shows that fathers want to spend time caring for and bonding with their children. As I stated, it is clear that children benefit so much from parental care in the first year of their lives and onwards but that first year is a very important period. However, as things stand, in order to take time off around the birth of their child, or later on in the first year, fathers must use other existing leave arrangements. Parents want choice and flexibility. This Bill gives parents the flexibility to choose when they take the time off to care for their young child. A father can commence paternity leave right up to the end of the 26th week after the child's birth. In the case of adoption, the father can take leave within 26 weeks of the day of placement.

I believe that the provision of family related leave is one of the important areas to create a balance between family and working life. I am pleased that this legislation is another important step in supporting families in the workplace. Evidence from other countries, particularly the Nordic countries, shows that paternity leave promotes broader social benefits and a fairer sharing of family responsibilities. It has had a positive impact on fatherhood. Research also indicates strongly that mothers who are supported at home in the weeks following that important time after a child's birth tend to be healthier and to have lower incidences of post-natal depres-

sion. Co-parenting habits that are established in the first few months of a child's life continue to benefit the home for years to come. Simply put, the more time that fathers can spend with their babies, the better. This paternity leave and the kind of provisions I have outlined in general that we may be able to enact in the future are good for fathers, families and society.

I want to refer to the impact on employers. It is important to note that this proposed legislation ensures there will be no statutory obligation on an employer to continue to pay the normal salary during paternity leave. Employers will have the option of providing a further top-up to the father's regular salary if they so choose, and we know that many do. Further, there will be no change to employers PRSI to fund this proposal. We are conscious, in this regard, of limiting the potential additional costs for business. We have also included provision in this legislation that employees will be expected to give their employers at least four weeks' notice, which will allow employers to plan accordingly.

I refer now to the benefits for the self-employed. The introduction of paternity benefit will extend the range of benefits available to people paying social insurance contributions. I am very happy that the 256,000 self-employed men in Ireland will be able to avail of paternity benefit. As they are self-employed, they can already take leave, of course, but most do not do so due to the total loss of income or business. Becoming a new parent is a huge undertaking, and for parents who are forced to take unpaid family leave, the situation becomes infinitely more challenging. This measure of two weeks of paid paternity leave will give them a guaranteed income, which will make it a little bit easier for them to combine parenting with the responsibility of running a business.

The legislation we are asking the House to support is worthwhile, progressive and, in the Irish context, ground-breaking. Unlike many EU member states, we have no provision for paternity leave, a situation that sets us out of step with the changed and more active role that fathers play in raising their children in most comparable societies. This combined package of paternity leave and paternity benefit will help to ensure that fathers in Ireland have entitlements that are similar to those of dads in other EU countries. It is very difficult to estimate accurately what the actual take-up will be. The Department of Social Protection estimates that 30,000 to 40,000 fathers might choose to apply for paternity benefit in a full year, at a cost of €20 million. There has been varying take-up in other countries, as Members will be aware. In the UK, for example, there was a 50% take-up, so it will be very interesting to see what the actual take-up of this new benefit will be in Ireland. This year, 2016, if we manage to enact this legislation, the payment is expected to cost the Exchequer €5 million. Fathers will normally have to give four weeks' notice before taking the leave, but there is provision in this Bill for the paid paternity leave to be taken at short notice should a baby be born early. Deputies can see that in respect of this legislation, there have been many amendments to the other relevant pieces of legislation and we have tried as much as possible to take account in the legislation of unexpected situations that can arise for a couple around this time.

Parenting is changing and fathers are more and more involved in raising their children. International studies have shown that fathers who take paternity leave are more likely to take an active role in child care tasks. There is also plenty of evidence showing the vital role that fathers as well as mothers play in the life of newborn babies and young children. The introduction of paternity leave and a paternity benefit scheme is an important milestone in providing support to fathers who wish to care for their children shortly after their birth. It will enable a father to spend time with his partner, new child and older children. This legislation is good news for parents and good news for children, and I look forward to engaging further with Deputies from

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all sides of the House and ensuring that an effective Bill is passed and enacted as quickly as possible so that we can begin the introduction of paid paternity leave in September of this year. I hope the House will be in a position to support this legislation and ensure that we conclude the discussions in the Dáil and go to the Seanad before the end of this Dáil term. Then we will be able to pay this benefit in September.

Acting Chairman (Deputy Bernard J. Durkan): Who is Deputy Fiona O'Loughlin sharing time with?

Deputy Fiona O'Loughlin: I will be sharing time with Deputy Anne Rabbitte.

Acting Chairman (Deputy Bernard J. Durkan): In equal proportions.

Deputy Fiona O'Loughlin: Yes, 15 minutes each.

Last Sunday was Fathers' Day and, sadly, I did not get to spend it with my own father, but I did get to spend it with my four brothers, who have, respectively, three children, three children, two children and two and another on the way. It is very heart warming to see the younger men in this generation as fathers who are so engaged with their children. They are certainly engaging far more than the generation that went before. It is incumbent on us to help to support this in many ways.

Fianna Fáil supports this Bill, which provides fathers with two weeks of paternity leave and two weeks of paternity benefit, which is extremely important. We all acknowledge that the first year of a child's life is a vital time for engendering strong attachment relationships between children and both mothers and fathers. Expanding parental leave and introducing paternity leave will boost this process. This is a step forward in recognising the needs of modern families in Ireland. Until now, there is no doubt that Ireland has been behind the majority of European countries in its exclusion of paternity leave from employment law. New fathers typically used days from their annual leave, but this could be granted or denied at the employer's discretion. It is important to note, as the Minister has outlined, that the leave will be paid at a rate of €230 per week, the same as maternity benefit, and is based on the same PRSI contribution requirements. I will make a few general points and then I would like to address the whole area of maternity leave, shared parental leave and the impact of this on men and their children and on grandparents.

We acknowledge the purpose of this Bill and that, when enacted, it will allow new fathers to start the combined package of maternity leave and paternity benefit at any time within the first six months following birth. It is very welcome that this also applies to fathers of newly adopted children. The Bill also deals with complex issues in respect of the interplay with maternity and adoptive leave that had to be resolved in the preparation of the Bill. These relate to the rare and tragic situations for which the leave and benefit regimes must cater, including stillbirth, the death of a newborn baby or the death of one of the parents. The Bill provides that if a baby is stillborn or dies the entitlement to paternity leave remains, and if one parent dies the other parent inherits whatever paternity leave has not been taken. This is a very compassionate approach. It is also very important that the Bill provides for same-sex couples on an equal basis with other couples. As we face into Pride weekend and have just celebrated the first anniversary of the Yes Equality vote, that is particularly important.

In terms of the stance of my own party, Fianna Fáil did propose the extension of paid maternity leave, renamed paid parental leave, from 26 to 30 weeks, so that parents, if they so choose,

can spend more time with their newborn without worrying about its effect on their career prospects or their ability to earn a living. In Ireland, there is a significant gap between the cessation of paid maternity leave at 26 weeks and the commencement of the free preschool year, when a child is, at the earliest, three years and two months. The progression of this policy would have a complementary effect on areas such as parental choice, work-life balance and child well-being. The extension of paid maternity leave would minimise the need for and cost of child care in the child's first year and would allow young children to spend the crucial first year of life in parental care.

While many parents like the idea of their child being cared for by its parents for the first year, some mothers are apprehensive about taking their full leave for career or other reasons. Evidence from the most recent Growing Up in Ireland report, carried out in 2013, which focused on mothers' return to work and child care choices for infants in Ireland, suggests that paid maternity leave is an effective instrument influencing the duration of sole parental care. The report also suggests that the extension of paid maternity leave would be a successful policy strategy in promoting and extending parental care in the first year of a child's life.

Ireland is one of the few countries that does not currently offer fathers some form of paternity leave on the birth or adoption of a child. That is why this is particularly welcome. Again, the report I referred to, which focused on mothers returning to work and child care choices for infants in Ireland, revealed that the take-up of unpaid parental leave by fathers was extremely low. This is very understandable when couples are under huge financial pressure in terms of paying mortgages, paying rent and the day-to-day costs of everyday life. Fianna Fáil did propose a joint transferable paid parental leave plan, based on existing maternity leave, without compromising any of its benefits.

3 o'clock

In opposition, we brought legislation forward in this regard through the Parental Leave Bill 2013, which has passed through Second Stage in the Seanad. We also sought to amend Part II of the Maternity Protection Act 1994 to provide an entitlement to maternity or paternity leave after the birth of an employee's child. This practice is currently in effect in many other EU countries and was highlighted by Ireland's Equality Authority, an independent body set up under the Employment Equality Act 1998, believing that a mother should have the right to assign a portion of her maternity leave to her spouse or partner, thereby providing greater flexibility for the family in making child care arrangements.

Maternity leave has been extended considerably in Ireland over the past 20 years. Currently, women are entitled to 26 paid weeks and an optional 16 weeks unpaid maternity leave. The current State system does not allow women to transfer part of their paid maternity leave to the father so that he could share in caring for the baby. If such a partial transfer was possible, it could allow women greater options, control and flexibility over the time they decide to take off after the birth of their baby.

Up to now, paternity leave has not been recognised in employment law in this country. There is no obligation on employers to grant male employees special paternity leave, whether paid or unpaid, following the birth of their child. Since 18 May 2006, parental leave can be taken in respect of a child up to eight years of age. Parental leave is available for each child and amounts to a total of 14 working weeks per child. Both parents have an equal, separate entitlement to parental leave. No regular statistics on its uptake are reported, but uptake is thought to

be low by both mothers and fathers, primarily due to financial reasons.

Annual leave taken following the birth of a child is treated in employment law in the same way as leave taken at any other time of the year. It is at the discretion of the employer to decide who can and cannot take annual leave at a given time. Some employers, for example, the Civil Service, provide a period of paid leave from work for male employees following the birth or adoption of their child. Fathers employed in the Civil Service are entitled to a period of special paternal leave of three days with pay in respect of children born on or after 1 January 2000 or adopted after 1 January 2000. Fathers are entitled to maternity leave if the mother dies within 40 weeks of the birth. In these circumstances the father is entitled to a period of leave, the extent of which depends on the actual date of the mother's death.

We have a long way to go when we look at international comparisons and it is particularly interesting to look at Norway. The paternal quota there was introduced in 1993 to encourage more fathers to participate in caring for their child during its first year of life. Today, ten weeks of the parental leave period are reserved for fathers. If a father does not use his quota, these weeks will be forfeited. The results have been striking. In 2008, some 90% of fathers used their paternal quota. Moreover, a growing number of men are choosing to take more leave than their quota. In 2008, some 16.5% of fathers extended their leave beyond the reserved ten weeks, compared to 11% in 2000. The French Government is giving men financial incentives, or bonuses, by increasing their parental allowance during the six months when they are on leave.

A report published in March this year on men and child care found that just 7% of unpaid child care in Ireland is done by men. In a report entitled *Women's Work: Mothers, Children and the Global Childcare Crisis*, researchers from the British-based think tank, the Overseas Development Institute, found that 93% of child care in Ireland is done by women, compared to a 63:37 female-male split in Sweden, which was regarded as the most equal country. It describes this country as having the most unequal gender responsibility for looking after children. Men in countries such as Iraq, Algeria and the United States contributed more of their time to child care than Irish men, who finished bottom of the pile out of 37 nationalities surveyed. Ireland also compared unfavourably to our nearest neighbours the UK, where men take on 32% of the responsibility when it comes to looking after children. The results were collated from a series of 2015 surveys carried out on behalf of the United Nations development programme, which were circulated to a representative sample of over 1,000 Irish men and women who were asked to specify how they spent their free time.

I come from Kildare where 53% of people work outside the county. We are in the commuter belt so a lot of couples and single parents rely on their own parents to help, support and rear their children. Last year, the British Government announced plans to let working grandparents share parental leave in future. The planned changes aim to increase flexibility and choice in parental leave arrangements and to support working parents with the costs of child care during the first year of a child's life. I understand that legislation will come forward soon with the aim of implementing this policy by 2018. We have to recognise the crucial role working grandparents play in providing child care and supporting working families. Evidence suggests that nearly 2 million grandparents have given up work, reduced their hours or taken time off work to help families who cannot afford child care costs. In fact, grandparents may be contributing as much as €8 billion each year to bridge the gap as work pressures increase. Evidence shows more than half of mothers rely on grandparents for child care when they first go back to work after maternity leave, and over 60% of working grandparents with grandchildren aged under 16 provide some child care. It is also seen as helping lone parents who, for obvious reasons, would

be unable to share parental leave.

The Minister rightly referred to how businesses and the self-employed would be impacted by this. Employers will soon get used to more men taking time off work after their children are born, as well as mothers working earlier. In the UK, the former business Minister, Jo Swinson, made the point that it does not take long to shatter the perception that it is mainly a woman's role to stay at work and look after the child. Measures that are put in place will help ensure businesses make best use of women's talents throughout the organisation, from the boardroom to the shop floor, and even here on the floor of the Dáil. She also said the system was good for business as it would create a more motivated, flexible and talented workforce. The same would be true for us. Employers will be able to attract and retain women and prevent them from dropping out of the world of work once they start a family. It is very important to have flexible working to help widen the pool of talent in the labour market, helping to drive growth.

It is important that we challenge the stereotypes of the past. Traditional views and rules around maternity leave had, in part, contributed to women not pursuing their careers after having children, and had led to a shortage of female representation in sectors such as engineering. In these economic times, we need to be using the talents of the whole workforce. Industry, the economy and politics are missing out on the talents of women.

Section 16, dealing with the possible abuse of paternity leave, seems to be overly complex. It is only for two weeks and, while we need to make sure legislation is implemented in the correct way, this section is unnecessarily complex.

The International Labour Organization, a United Nations agency, has praised the benefits of paternity leave, including the positive effect of fathers' involvement on child development, helping employees to achieve a healthy work-life balance, the breakdown of prevailing stereotypes and traditional attitudes in society and improved gender equality. The introduction of paid paternity leave is something we should have moved towards a long time ago.

Deputy Anne Rabbitte: The Minister is a woman true to her word. In 2013, she advocated a further year's parental leave but we were in a time of cuts. It is now 2016, however, and I welcome this Bill, as do my party colleagues. Without doubt, it is a step in the right direction and one which encompasses all, whether the employed or the self-employed. I was hoping the Minister, Deputy Varadkar, would have been here so that I could say it to him but we are encompassing the other 250,000 self-employed here. Perhaps his Department could also take this step and look at the other benefits that could be extended to the self-employed, who we should be looking after. However, it is fantastic to see that they are being acknowledged here today.

As the spokesperson for children and youth affairs, I am approaching this from the perspective of its benefit to the child. It is a huge benefit that both the mother and father start out in the first days of the child's life with a role to play. If not in the first days, when the baby comes home, there are up to 26 weeks to embrace it. If it is the first baby, parents are adjusting to it and all the grandparents want to help out and everything else. However, three or four months on, when the initial period of joy is over and the grandparents have gotten used to the little bundle of joy who has arrived, it is fantastic that dad can avail of the two weeks to be able to help out, support and share in the role.

This applies, in particular, to mums who want to breast-feed. We have low rates of breast-feeding in this country despite its health benefits during the first number of weeks and months.

It can have a positive effect later on in the child's life in terms of obesity, intelligence and everything else. If dad is there to support mum in that role, by putting on the dinner, doing a little bit of washing, helping out and understanding what mum has signed up to for the next 26 or 28 weeks while she is at home, and then the further 14 weeks, the approach is more unified and it is the child who wins in the end. This is what it should always be about when introducing legislation such as this, in particular, when the aim is to support the family unit. It is the baby that benefits in the short term as well as the long term.

I like that the Minister stated: "I hope this Government will be in a position to extend this provision further in the years ahead and I strongly support ... the programme for ... Government". It was part of the Fianna Fáil policy and we would have looked forward to seeing the full year of parental leave taken into account. It is 26 or 28 weeks at the moment but we would like to see it further extended. Our vision for the programme for Government over the next five years would be to see how that can be moved forward. Little steps make a big difference and this is one of those little steps, achieved here today with the support of everyone in the House. It is a step in the right direction but we need to see how we will go forward with this in supporting mums, including possibly extending it further than 28 weeks.

Believe it or not, when I had my first child I was able to avail of 28 weeks leave but that was brought back to 26 weeks by the time I had my third baby. It makes a difference and every week counts. Even if it is only one week in one year of the programme for Government and another in another year of the programme for Government, step by step we are going in the right direction-----

Deputy Frances Fitzgerald: That is true.

Deputy Anne Rabbitte: -----and supporting the family. We understand what we are saying to those having families and that is so important.

The early days and weeks count the most. The Minister spoke about it herself when she spoke about post-natal depression. Mum is at home on her own and left with the daunting task of coping. It is not a daunting task if there is a little bit of support. This is what it is all about. It is the little bits that make the difference. With the first baby, having walked the floor all day and all night, when days turn into nights, it makes an awful difference if there is someone there to share the load.

In 2012, the then Minister for Justice and Equality, Mr. Alan Shatter, announced Government approval of the drafting of a family leave Bill, which was to transpose the EU Paternal Leave Directive. The then Minister stated that the opportunity would be taken to consolidate all family leave legislation, whether maternity, parental, adoptive and carer's leave, into one accessible Bill and that responsibility for carer's leave would be transferred from the Department of Jobs, Enterprise and Innovation to the Department of Justice and Equality. I would love to see the Department of Children and Youth Affairs play a huge role as well in this matter. The Department of Children and Youth Affairs has a lot to say because we are advocating for the child. When advocating for the child, one considers the whole family circle as well. The Department of Children and Youth Affairs has a huge role to play. The Department of Justice and Equality and the Department of Social Protection have all the money but we would like to be part of that voice as well, if at all possible.

There is little more I can say about the Bill except to say it is very welcome. It is welcome

for the self-employed, full-time workers and grandparents. It shows that the Government is listening to what parents and families are saying. This is a small thing that makes a huge difference. Dads now do not have to take unpaid leave or eat into their annual leave. This is a recognition of the family unit in the workplace, and this goes back to work-life balance. That is what it all has to be about: the work-life balance. Today more than ever, life is so stressful. People are working so hard and probably feel little value for their money. When one has young children, by the time the mortgage, child care costs and other bills are paid, it is nice that for those two weeks, the most precious two weeks, at the beginning of the child's life a parent can say he or she spent quality time with the child - quality time that was recognised as valuable input into the establishment of the family.

I have no more to say other than that I welcome and support the Bill.

Acting Chairman (Deputy John Lahart): Sinn Féin Deputies John Brady, Denise Mitchell and Donnchadh Ó Laoghaire are sharing time. Are they sharing it equally?

Deputy John Brady: We are sharing it equally.

While I welcome the Paternity Leave and Benefit Bill, it also has to be said that it has been a very long time coming. However, Sinn Féin genuinely welcomes it. Paternity leave is something that Sinn Féin has consistently called for, year on year. Indeed, I recall my colleague, Deputy Caoimhghín Ó Caoláin, standing up in this Chamber back in 2005 and calling on the Government of the day to address the imbalance in family life and to introduce paternity leave. Here we are, 11 years later, finally making moves towards it.

It is simply not good enough for the Government to introduce paternity leave, pat itself on the back and leave it at that. There is a crisis in child care that goes much further than this Bill and it needs to be tackled. This Bill can only be a starting point in the development of better child care with better maternity leave, paternity leave and parental leave. Ultimately, caring leave entitlements and child care policies must be driven by a vision of the kind of society we want to create.

Current leave entitlements in both the Six Counties and the Twenty-six Counties are considerably less than what is available to workers elsewhere in Europe. Ireland has been identified as an example of worst practice in the EU when it comes to parental leave rights. It lags far behind other member states in the EU when it comes to maternity leave, paternity leave and parental leave. The 26 weeks of paid maternity leave that new mothers in this State are entitled to is paid at a low, flat rate and it is one of the lowest levels of payment in the EU. The sum of €230 per week for mothers to remain at home from work is simply not enough and it is leading to hardship for parents.

Any entitlement to full paid maternity leave is subject to contract. There is no obligation on employers to pay above the standard rate, leaving many women in the private sector facing a sheer drop in income during their leave. This has to change. The Government needs to examine increasing the rate of maternity benefit to allow mothers to avail of their leave without financial strain. The Government should work to extend maternity benefit by six weeks and allow that portion to be taken by either parent at the end of the current 26 weeks maternity leave as well as introducing 52 weeks of paid maternity or parental leave.

Other Members have used Norway as an example of how new fathers are entitled to up to ten weeks leave and Deputies have cited the many other jurisdictions with generous leave en-

entitlements for fathers so that women are not the only parents responsible for child care. Under Ireland's current law, if a man wants to take time following the birth of his child, he must do so out of current annual leave entitlements or take leave without pay. This is unfair as it favours high-income workers. It is of no value to low-income families for whom it would be impossible to forego income for the duration of the leave, especially when they have had a baby and they must meet the extra costs involved. According to the OECD, Ireland has the highest child care costs in the EU. Nothing is being done to tackle this and introducing paternity leave will not address the issue, which has been ignored by successive Governments for many years. Leave entitlement for parents and carers must be designed to enable workers to take time off work when they need to carry out caring duties without forcing them out of the workforce. Across the European Union, child care costs approximately 12% of a family's income but in Ireland it accounts for some 35%. Added to this, the Government has taken away the lone-parent allowance and expects lone parents to find employment while paying massive costs for child care on a reduced income. It really makes no sense whatsoever. The reality is that while child care costs are so high, many women are forced into precarious, low-paid jobs or are unable to work at all.

Sinn Féin strongly supports the introduction of statutory rights to flexible work arrangements which can play a key role in enabling workers to balance work with family and other responsibilities thereby significantly enhancing workers' quality of life. Flexible work entitlements should further enable parents of children under the age of 12 to find care for those children in after-school or preschool hours if they wish to do so. Sinn Féin has long campaigned for at least two weeks' paid paternity leave for fathers when their children are born. The absence of paid paternity leave to date has been a stain on successive Governments' policies on parental leave. This Bill should be implemented immediately, as proposed in Sinn Féin's submission, *A Fair Recovery is Possible*, in respect of budget 2016. The Bill and the introduction of two weeks' paid paternity leave are crucial in developing parental leave practices. We note that the National Women's Council of Ireland, Start Strong and the Irish Congress of Trade Unions have called for paid paternity leave for years. However, it must not be taken that the job is done once the Bill is passed. There must be a wider approach to organising leave and to tackle the child care crisis in Ireland.

Deputy Denise Mitchell: This Bill is welcomed as an attempt at aligning the State with the vast majority of other European countries and in rectifying the imbalance in respect of child care, welfare and parental responsibility. This imbalance, unfortunately, has been present for a long time. The majority of EU states allow for parental leave to be assessed by either the mother or the father, with a certain amount of time given for fathers only. As far back as 1989, the EU's Community Charter of the Fundamental Social Rights of Workers stated, "measures should [also] be developed to enable men and women to reconcile their occupational and family obligations". This emphasises the shared roles in the balance of parenting and work. Some 27 years later the Bill acknowledges this end. The State played a limited role when it came to paternity recognition and the position of fathers, and this Bill helps relieve, to some degree, the burden placed solely on mothers.

The Bill is a positive step to providing paid leave to fathers. The previous regime of unpaid leave at the discretion of the employer gave a limited role to the father. It is important to recognise the role of the father. On a practical level it will help relieve some of the pressures placed totally on mothers with regard to work and child care. Parental leave is needed by both parents to spend time and to bond with a newborn, and to help the new mother to recover and rest after childbirth. The intent behind the Bill is to help create a better work-life balance between work

and parenting. This is especially the case where there is a newborn baby which can be an especially stressful time, particularly for first-time parents. The balance of parenting and work should always be enhanced, where possible, by legal supports and not seen purely in economic or business terms.

The Bill while welcome has been a long time coming. Organisations such as the Irish Congress of Trade Unions and the National Women's Council have been campaigning for this entitlement for many years. Sinn Féin proposed amendments to legislation some ten years ago in an attempt to introduce an entitlement to paternity leave. With the level of entitlement which is proposed in the Bill, we are finally reaching the point where the majority of EU states have been for some time. Now that legislation is being put in place we must hope that there is an uptake of the leave entitlement. There is now an obligation on employers to encourage employees to take this entitlement and to recognise its benefit. We hope this starts greater changes on the part of the Government in helping parents. Consider the current length of maternity leave, the current rate of maternity benefit and the issue of child care costs in the State. The Bill is a step on the road to improving the circumstances of parents but there is some way to go yet.

Deputy Donnchadh Ó Laoghaire: Cuirim fáilte roimh An Bille um Shaoire agus Sochar Atharthachta. Is Bille fiúntach agus forásach atá ann agus beimis ag siúl go bhféadfaí a thuilleadh dul chun cinn a dhéanamh sna blianta le teacht.

I welcome the Bill. It is long overdue and, as my colleagues said, it is something for which Sinn Féin has been advocating for some time, with my colleague Deputy Ó Caoláin first bringing forward this proposal 2005. It was a significant and progressive proposal then and is certainly a proposal of common sense now, and not before its time.

As the Minister said, Ireland is an outlier in not having any paternity leave. It is good and proper that this issue is dealt with. Tá an reachtaíocht atá againn sa tslí seo agus i gcúpla slí eile ó thaobh theaghlaigh ábhairín easnamhach. Maternity leave is of massive benefit to the mother in bonding with her child in the first few weeks of its life. That bond is invaluable and is of course one of the tightest that anyone will ever experience. From a very conventional point of view, it is felt that fathers have not been afforded this opportunity to bond with their children in the same way mothers can do so. This, unfortunately, has been the case for too long and Ireland lags well behind many of our European counterparts in how they treat the father in the weeks after the birth of their child.

While the Bill is welcome, it could have gone further in acknowledging that the two weeks being proposed is fairly minimal. Although it is a step in the right direction, it is a small one. Any policy that directly affects children should be progressive and this certainly meets those criteria. Tacaím leis an méid atá ráite ag an Teachta Rabbitte agus í ag rá gur chóir go mbeadh baint éigin ag an Roinn Leanaí agus Gnóthaí Óige le cur i bhfeidhm an pholasaí seo. I support what Deputy Rabbitte said about the Department of Children and Youth Affairs. It should be involved in dealing with this policy. Parents of any child should be able to avail of any opportunity they wish to bond with their child in an adequate way in the child's first few months. This should be afforded to them by leave entitlements that are not perceived as a barrier to their taking days off work. This should be incentivised to allow parents time to adapt to this new period of their lives.

I also welcome this Bill as it puts the welfare of the parents on a statutory footing rather than asking them to take time off work with no pay. Before this, only those who were at the higher

end of the pay scale were able to take all this time off, and, even at that, I can imagine there were only a few days they would have been able to take. Ní chóir go mbeadh aon tionchar ag ioncam ar chumas thuismitheoirí a bheith in ann páirt a ghlacadh agus iad ag tógáil a leanaí. Income should never be allowed to impinge on the ability of parents to participate in the raising of their children in those important first years.

There is plenty of evidence available to suggest that children tend to do much better in general when they have had a close bond with both parents in the first year of life. This evidence should certainly be listened to and, as a result, efforts should always be made to facilitate this in so far as possible. Tá go leor leanaí á dtógáil i dteaghlaigh ina bhfuil an mháthair ag obair. Is dócha sa mhéad sin, tá níos mó solúbthachta ag teastáil. Increasingly, young children are raised in families where mothers work and, as a result, many parents may have less time and energy to invest in their children. Parental presence during the early years constitutes a significant investment in child development, socially, cognitively and emotionally. Attachment theory is one of the most popular and empirically grounded theories relating to parenting. Attachment behaviour in adults towards the child includes responding sensitively and appropriately to the child's needs. Such behaviour appears universal across cultures and explains how the parent-child relationship emerges and influences subsequent development.

Tá Sinn Féin ag iarraidh feabhas a chur ar shaoire agus ar shochair atharthachta, ar an reachtaíocht seo agus ar an reachtaíocht atá le teacht amach anseo i dtaobh an ghné seo de chúram leanaí. We in Sinn Féin called for paternity leave to be extended by six weeks, with either parent having the option of taking it, in our manifesto before the last election as well as in our alternative budget last October. The current levels of paternity benefit might also be increased above €230, which is quite a small amount when we consider that many countries across Europe pay almost 90% of parents' wages, an incentive that does not put pressure on the parent to return to work due to significant loss of earnings.

In an answer to a parliamentary question, the Department of Social Protection stated that the estimated annual cost of maternity leave was circa €266 million. An €80 million increase in this budget would allow for a €70 increase per week for every recipient of maternity benefit, up to 50% of the national average wage - not nearly close enough, but a significant increase. That should be considered. This legislation is important but, most of all, it is simply a first step. There is a need for greater flexibility. Cé go bhfuil solúbthacht ann sa reachtaíocht seo, tá gá le níos mó solúbthachta amach anseo. There is some welcome flexibility here, such as the ability to take leave at short notice, which is crucial. It is also welcome that the two weeks can be taken at any point within the six months. It is vitally important that this also apply in the case of adoptions. However, it is our belief that we need to work towards a position in which there is parental leave that can be divided between both parents as they see fit. This is important because, under the current situation, one parent - the mother in a heterosexual couple, or the relevant parent otherwise - will get the lion's share of the leave, regardless of her or his situation. Every couple will be different, and there are families where it might suit both mother and father for one parent to take more leave than the other and to use it flexibly, or to split it close to evenly. We cannot expect that will always be the mother and, although it often may be, it is an unfair expectation on any couple. There are, doubtless, families in which it would suit the mother to return to work as soon as she considers possible, and the father to take a longer period - significantly longer than two weeks, and perhaps longer than the mother might. Likewise, in the case of same-sex couples, it may not suit the relevant parent to take less than the full amount, and the other parent to take much more than the two weeks. We also need to

ensure that the legislation, and indeed the language we use in it, is non-discriminatory and that the provisions of this Bill are written in such a way that same-sex couples have the same rights to leave as heterosexual couples.

On the issues of flexibility and non-discrimination, we will be considering amendments to this Bill. The legislation is a welcome step forward, but it is only one step. Níl ann ach céim amháin agus táimid ag súil go ndéanfaidh an Rialtas a thuilleadh sna blianta le teacht. At one level, therefore, this is simply a step towards enhanced parental equality. I hope that in future we will be able to move much further, to a system that reflects properly the needs of Irish families today.

Deputy Brendan Ryan: Today is a momentous day in the history of the European movement. The decision of the British people to leave the European Union will have far-reaching but as yet unknown consequences for the European community and for all of us in Ireland.

This is not a debate about the European Union or Brexit but, given the day that is in it, it is worth acknowledging the role the European Union has had in influencing our own society in a positive way. Europe has always led Ireland in the area of parental rights and paternity leave. We have always lagged behind our European neighbours on this, and I am very proud of the Labour Party's role in the last Government in getting this matter on the agenda and ultimately before us this afternoon. The previous Government approved the drafting of this Bill and indeed we in the Labour Party provided funding for it to start this year. My colleague Deputy Joan Burton, at the Labour Party conference in February 2015, committed to introducing this measure in budget 2016. I therefore fully support and welcome it.

Up to now, and unlike most EU member states, we have had no provision for paternity leave at all. It is long past the time to endorse and give practical effect to the principle of parental equality by providing for paternity leave and paternity benefit. In this area, society is changing for the better, and we have been slow in this country to catch up. In my adult life, I have seen a massive change in the role that fathers take in the very early lives of their children. Not too long ago, a father's role was in work or at home when a mother was in hospital giving birth. Those days are over, thankfully. After the birth of a child and all the joy and change that brings, a working father is required to return to work unless an individual arrangement or annual leave days are taken. Most fathers want to spend time caring for, and bonding with, their children. It is quite unfair that current statutory leave arrangements do not facilitate this.

At one level, therefore, this is simply a step towards enhanced parental equality. At another level, these policies also support increased labour market participation, particularly among women. This measure, however, cannot be seen in isolation but must instead be viewed as part of an overall approach and package. We can take it that this Bill will pass into law unopposed and will be in effect this autumn. The question for us now is how much more we should aspire to on behalf of our children.

Although there are equality aspects and labour participation aspects, this is a child-centred measure and not a parent-centred one. This involves investing public money in the earliest years of our children's lives, in the interests of the child and society. It is one of my regrets from the last Government that we were not able to invest more in early childhood education. Preschool education is vital and has been proved to benefit children's long-term development and education. We need to support both parents to enable them to perform their parenting role. Paternity leave promotes a range of social benefits as well as a fairer sharing of family

responsibilities. Deputy Burton fully supports this and has long been advocating for fathers to have the opportunity to be involved from the earliest stages of a child's life and development. I think we are all agreed that the two weeks' leave we are introducing today is welcome, but it is not enough. We will still remain below par by comparison with our European neighbours. It would be striking if a Bill of such relative complexity were passed simply to deal with the creation of two weeks' paternity leave and benefit. Legislating for the interplay between maternity and adoptive leave, for situations of stillbirth and death, for same-sex couples and for all of the necessary amendments to family leave legislation and, indeed, social welfare legislation will be better justified when the scope of the leave being provided is extended to a more meaningful level over the coming years.

The programme for Government states that paid parental leave in the first year of birth will be increased, and the Tánaiste told Deputy Howlin on Wednesday that the increase will be significant, but gave no further detail.

It is interesting that the Fine Gael manifesto was far more specific in stating:

Fine Gael is committed to an additional 8 weeks' paid leave entitlement to be availed of by either parent within the first year of a child's birth. Starting in 2018, this will be implemented on a phased basis of 2 additional weeks per year. When fully implemented, paid leave entitlements will be up to 34 weeks after a baby is born, with additional unpaid maternity leave if a family choose to avail of it.

I presume it was not the Independents in Government who watered down Fine Gael's detailed commitments in this area. I hope the absence of detail in the programme for Government and in the Tánaiste's reply earlier this week does not indicate some rowing back from the clear commitment timetable.

We are all agreed the evidence shows that children perform best when they remain within the home with their parents for the first 12 months of life. That is why, in addition to dedicated periods of maternity and paternity leave, we need to move to establishing a bank of additional parental leave, with at least a portion reserved for each parent. This would ensure that all children can be cared for by their parents for at least the first nine months and ultimately the first 12 months of life.

We need to review the level of payment for maternity, paternity and parental leave. We need to view maternity and paternity payment as an investment rather than a cost because that is exactly what it is. We need to explore whether we should legislate for negotiated flexible working time arrangements for workers with young families.

A debate on parental leave feeds into the other policies we must adopt to support families with young children. We have never invested enough in supporting families with young children. As the recovering economy pays dividends, we must prioritise. For our part, the Labour Party would make low-cost, high-quality child care for all children under 12 a priority. That means dramatically increasing our level of spending on early years education and child care.

A high quality child care sector needs a skilled child care workforce, with decent pay and fair conditions. It needs meaningful State assistance in meeting child care costs. This means reducing the financial burden on parents of young children and giving all children the high quality care and support they deserve. This is not done by tax credits and is only achievable through direct investment in the early child care sector. It is critical to set standards for care and for

staff, and to reward early child care staff adequately for the important job they do.

Today's Bill is just a step, but a very welcome one, in the right direction. The Labour Party supports it and looks forward to working with other groups in the House towards the further strengthening of legislation in this area.

Deputy Michael Fitzmaurice: I welcome the legislation, which is a step in the right direction. As previous speakers have outlined, things have changed considerably in Ireland over recent years. Fathers now help out much more than they might have in the past and some people have to take time off work. This is a step in the right direction. While it will not make them wealthy, at least it is a way of recognising at a time when a new child is born in the house that both people are involved and both may have to take time off work. There are financial implications as everyone knows.

The Bill also makes provision for self-employed people who generally get the narrow end of the whip in being left out of legislation. Down through the years they rarely had rights in social welfare payments. As we saw when the recession hit the country, many people who had been employing people all their lives ended up not getting anything for their own families. The Bill provides that self-employed people will be given the same treatment as PAYE workers.

It is in the programme for Government and is a step in the right direction. Ideally people would like more time, but I recognise that it is estimated it will cost €20 million. As the country moves to better spaces in coming years, I hope that more money can be allocated to this in order to give extra time for families to get on without facing a financial burden if they take time off work.

I welcome the Bill, which is a step in the right direction and hopefully down the road it will be extended to a longer period of time.

Deputy James Browne: I support the Bill, which provides fathers with two weeks of paternity leave and benefit. The first year in a child's life is a vital time for engineering strong attachment relationships between children and both mothers and fathers. Extending parental leave by introducing paternity leave will boost this aspect.

The purpose of the Bill is to provide fathers with two weeks' paternity leave and two weeks' paternity benefit. When enacted, the legislation will allow new fathers to start a combined package of paternity leave and paternity benefit at any time within the first six months following birth. It will also apply to the fathers of newly adopted children.

The Bill deals with complex issues regarding the interplay with maternity and adoptive leave that had to be resolved in the preparation of the Bill. These relate to rare and tragic situations. The Bill also provides for same-sex couples on an equal basis with other couples.

The Department of Social Protection will provide paid paternity benefit of €230 per week for the two weeks of paternity leave and employers will have the option to provide a top-up to the father's regular salary if they so wish.

This country has been behind the curve on the important issue of extending this type of benefit to fathers. It is a welcome first step and addresses an important issue. We know that in the first year it is crucial for a child's development to have the support of a mother, father, grandparent or other member of the extended family. Research has shown that having support in early life from close family engenders good habits among them for future years.

24 June 2016

We hope this is only a first step towards the ultimate goal of non-discriminatory and shared parental leave that will allow for the flexibility required by today's families. I welcome and support the Bill.

Deputy John Lahart: Like my colleagues, I welcome the provision and the introduction of the Bill today by the Minister. It is very much welcomed both inside and outside this House and it raises a number of topics and themes we sometimes take for granted. One issue is how we have treated fathers and how we have assumed, through legislation, how they wanted to be treated. There is a considerable change in that regard.

Some of my colleagues have made broad, overarching comments on the Bill and I do not wish to repeat them but I wish to welcome in particular the provision of the flexibility in the Bill in terms of paternity leave being available in sensitive situations such as in cases where the pregnancy happens sooner than expected, as happened with a constituent of mine whom I dealt with today. In this case, he will not be able to avail of paternity leave but it is important that paternity leave is not fixed.

The Minister indicated that much international research and information substantiates the fact that fathers who take paternity leave are more likely to be more involved in their children's lives subsequently. If and when the Bill is enacted, as I am sure it will be, it appears that the payments would begin to be paid in September of this year.

I note the reference of the Minister and some previous speakers to the role of grandparents and I will return to the point. Many fathers from a different generation probably always wanted to be involved in the very early days following the birth of their son or daughter but it was not always such an easy thing due to the stereotypical role of the father being the breadwinner. However, it was also the case that it was not expected or even understood that a father might have a desire to be present in the first few weeks following a child's birth. One sees many grandfathers pushing their grandchildren's pram around as they avail of the opportunity to get a second chance at child rearing. They absolutely adore the time they get to spend with their grandchildren. It is also an indication of the opportunity they missed when their children were born, at a time when society did not allow them to do it, let alone legislate for it. Society did not think the father had a role in those first few weeks after the birth of a child.

We should not take for granted that up until now fathers did not want to spend time with their children. In time to come, we will wonder why it took us so long to get to this point and to recognise in law – society probably recognised it 20 years ago – that a father might want to spend time with his newly born son or daughter.

I acknowledge the provision in the Bill that provides for equal leave for adoptive parents. The Minister referred to the fact that there are a couple of aspects of the Bill which required to be dealt with sensitively, for example, the entitlement to paternity leave for a father in the event of the stillbirth of a child. That is an appropriate measure and I welcome it.

I note the contributions of some previous speakers from other opposition parties that it is a small step - only two weeks - and that in Scandinavia up to ten weeks is provided. However, it is an important first step. Deputy Anne Rabbitte suggested that if in every programme for Government, we aim to increase paternity leave by a week, then it would reach the level of best practice very soon. As Deputy O'Loughlin outlined, we are very far down a lot of league tables for paternity leave and parental leave.

Grandparents have an increasingly time-consuming role in caring for their grandchildren. The majority of them enter into such arrangements wholeheartedly but it can become burdensome. The Bill is a recognition of the fact that notwithstanding how much support is available to mothers of newborn children, the State can intervene in a positive way that assists everybody.

I welcome the symbolism of the Bill's introduction. It is one of the first Bills the Government has introduced. Symbolically, that is an indication of the priority the Government gives to the issue. I would like to see the situation fleshed out a bit more in terms of the self-employed. For economic reasons, some self-employed people might be forced to choose not to avail of paternity leave because they cannot afford to either take the resulting reduction in pay that might entail or to take the time off work. The latter could be the case because of the kind of work they do or the fact that their work might be seasonal and a new child might come along at the height of the season and someone who is self-employed would simply not be able to take time off. The 28-week period provides for some degree of flexibility in that a father could take two weeks off up to 26 weeks after the birth of the child.

The Bill also recognises the family unit. I do not mean that in any prescriptive way but in the sense that men do not have to eat into their normal annual leave but will have dedicated time to devote to paternity leave. I also welcome the fact that the Bill covers fathers of adoptive children.

Following the birth of a child, it is not just about the care of the child, although that is the priority, because from my professional experience, I have seen many new mothers in the immediate aftermath of giving birth and it can be a very lonely period for them when they return from hospital. In particular, I have come across mothers who live in the city but whose family support structure is not in the city and who find it difficult when they go home after carrying the child for nine months, the excitement of the pre-birth stage, the birth and then the dawning of the responsibility of motherhood. That is especially the case for first-time mothers. The experience can be very isolating and lonely and the opportunity for a father to be present is a huge support for the mother. Equally, for a mother who has huge familial support around her at the time of the birth, I welcome the option and flexibility in the Bill that allows the father choose, if the couple so wish, not to take the paternity leave in the immediate aftermath of the birth but at some later stage when his support is more useful.

I welcome the Bill. As previous speakers said, it is both liberal and proper. I hope that at some stage, when we come back here after a number of Government terms, as many speakers have suggested, that we will aspire to a much more generous, flexible paternity leave. One thing the Minister could do relates to self-employed people, of whom there are 300,000, who may not be able to avail of the measure as it is currently framed. It might suit some people to take a Friday and Monday and to multiply that over a period rather than to take two weeks together but that would create challenges for the social protection side of things. The Bill is a very positive first step. If I were to recommend the Minister to do anything, it would be to engage a little further with the likes of IBEC, the Small Firms Association and self-employed groups to see what challenges their members who are parents, especially fathers, face.

4 o'clock

Deputy Mick Barry: I intend to be fairly brief on this issue. The Anti-Austerity Alliance-People Before Profit, AAA-PBP, considers this to be important legislation and it is welcome that it is coming before the House. While I believe it is overdue, today I will put the emphasis

on the welcome for it. I understand the average period of paternity leave in the European Union is approximately 12.5 days, which would mean Ireland is coming in a little short in this regard. However, the point already has been registered in the debate that Members perceive this to be a first step and it should be so perceived. While I do not wish to overstate the point, a certain amount of grousing on the part of employers has been detected on this issue. I welcome that the legislation allows for cases to be taken to the Workplace Relations Commission in the event of non-co-operation by employers. It would be a positive step for the trade union movement to consider this measure in an active way and there is a certain onus on it to do so, by which I mean actively promoting the new entitlement and doing all within its power to ensure the leave is taken up and that workers get the benefit from it.

This legislation must feed into a wider debate about gender roles within society. Irish society has changed a great deal within a relatively short time and attitudes have changed on what was accepted by a majority at one point. In the context of such a wider debate I note, for example, that Article 41.2.1° of the Constitution states: “the State recognises that by her life within the home, woman gives to the State a support without which the common good cannot be achieved” while Article 41.2.2° states: “The State shall, therefore, endeavour to ensure that mothers shall not be obliged by economic necessity to engage in labour to the neglect of their duties in the home.” I presume those articles were contained in the Constitution in 1937. Ireland has come a long way since and in the context of gender roles within Irish society these clauses are rather outdated to say the least and should be scrapped but there must be a wider debate on these issues. Nevertheless, the legislation before the House is a positive step in that debate.

Deputy Róisín Shortall: With the agreement of the House, I wish to share time with Deputy Catherine Martin.

An Ceann Comhairle: That is agreed.

Deputy Róisín Shortall: I join with other Members in welcoming this legislation, which by Irish standards is landmark legislation in many ways. It is important legislation for families in general and for the individual members of families, that is, for mothers, fathers and children. As a society, we increasingly are becoming aware of the importance of the early days, weeks and months in a child’s life and, while it always has been recognised or known that the first five years are the most important, I often think it is extraordinary how those first five years are the time in a person’s life that receives least political attention and, therefore, the least funding. It really only has been in the recent past that a Department of Children and Youth Affairs has been established and there still is a long way to go for that Department to be resourced properly to provide the kind of support children and families need. There is no doubt that for every euro spent in those early weeks and months, society reaps the benefits of it sevenfold in later life and when problems arise in the early years, it is hard to compensate for them in later life. Time lost in the early years of a child’s life generally cannot be recovered. Ireland is at an early stage in recognising this and in putting its money where its mouth is through the provision of the kind of services that are necessary for children and families in those early years.

Increasingly, people are becoming aware of the importance of attachment and bonding for children with both their parents and this must happen in the early days and weeks of a child’s life. Obviously, if a father is not available and must go back to work very quickly, this will have all kinds of implications for the bonding between the father and the child. From this point of view, making arrangements for paternity leave is an important step. It is known that problems

with bonding or attachment in those early days have all kinds of implications for the child's development, including his or her mental health development. Increasingly, the importance of infant mental health is being recognised and again we must move towards the provision of resources at that level in those early years from the point of view of the mental health of both the child and the parents. That certainly is preventative medicine or early intervention in practice but we have a long way to go in that regard, apart from a few highly progressive projects such as the youngballymun project and others like it which are in operation on a pilot basis around the country. Ireland still lacks a mainstream service that is available to support parents and babies in those early years and consequently has a long way to go.

Another obviously important function from the point of view of allowing fathers to have the opportunity to take leave is to provide support to the mother. As other speakers have noted, having a first child is a frightening experience in many ways. While it is a great and terrific experience, it also is frightening and daunting for a lot of new mothers and it is important that the father is present as a support to the mother in those early days and weeks. It also obviously is very important when there are other children in the family and where the mother and baby need time to get used to each other or the mother needs time to get established with breastfeeding and all of that. It is difficult to do this when there are other children in the home and again it is important that the father would have the freedom to be involved at that stage.

The introduction of paid paternity leave also makes an important statement on the role of fathers. Too often the role of fathers in children's lives has been ignored or downplayed and consequently it is important that with this legislation a clear and strong statement is being made that fathers are absolutely critical to the welfare of their children, that they have a really important role to play and that this is being recognised by providing a facility for paid paternity leave. The other important statement this legislation makes is to recognise the importance of co-parenting and the sharing of responsibilities in childminding. This is especially the case with new babies where there are many demands involved for parents, but the legislation recognises the importance of co-parenting, sharing that role and sharing the homemaking role in general. I also welcome that this legislation is providing similar benefits to self-employed people, which is really important. The State has only begun to move in the direction of recognising the welfare needs of self-employed people and this is another step along the way and is a good element of the legislation. However, having stated this is welcome and an important development, it is important to recognise it merely as a first step, because that is all it is. When one counts all forms of postnatal leave, Ireland still lags far behind our European partners and it is important to keep that in mind. This is a good development but it is only a first step.

Research produced last year by the Start Strong organisation, which has done a lot of very important work in this area and is unfortunately closing its doors shortly, indicated that of 26 European countries, Ireland had the fourth shortest period of paid leave that parents can take. We are way down at the bottom of the league in European terms and that is something we need to be very conscious of. We must be aware of the fact that we have much ground to make up in this area.

It is important that this is the first step in extending general fathers' rights. For too long, fathers have been seen as second-class parents in certain sections of both our law and our benefits legislation. Separated parents were disgracefully treated in the budget in 2014 when changes to their tax treatment resulted in huge additional income taxes for this group. At the time, Fine Gael kept claiming that it was not putting up income taxes but it certainly was in respect of single fathers. The extra costs for this group are virtually unrecognised by the State. Whether

it is in welfare payments, tax treatment or in some areas of housing policy, we do not recognise the important role of co-parenting and the separate responsibilities on a father in a situation in which he is not cohabiting with the mother of the child. The issue of fathers' names being on birth certificates is one that was ignored for many years. Some progress has been made in that regard in more recent times but we still have some way to go. Unfortunately, there seems to be an assumption in some agencies of the State that fathers should not be on the scene or that a family and a mother would be better if he was not on the scene or was not playing an active role. Our systems and the way they operate send out very negative messages to single fathers, in particular, and that needs to be addressed.

We in the Social Democrats want to see the support system for parents go much further than it goes at the moment. We believe that we should be working towards a situation in which the first year in a child's life can be spent at home, facilitating parents in sharing the responsibility for the care of that child and enabling that for the first year in the child's own home. Maternity benefit only extends to six months and, in general, no part of it can be swapped between partners. We know from research on child welfare that the best people to care for a child in that first year are its parents. If that is the case, the most basic kind of investment in children must be to enable them to spend that first year in the family home being cared for by one or other parent. Six months is at the very bottom of the European scale in terms of what is available to parents. I believe we should be aiming in the medium term to bring that up to 12 months.

We would also like to see paid parental leave extended in ways that it could be shared between the two parents. As well as that, there is huge potential for more flexible work options. In our view, it makes absolute sense to extend the right to term time working for parents when their children are particularly young and to improve statutory rights in terms of unpaid parental leave.

We would also like to see very significant investment in child care. Even after the introduction of the second early childhood care and education, ECCE, year, there is still quite a gap between the end of paid parental leave and the point at which the child goes into the first year of the early childhood care setting. There is a gap there that has to be made up. It is a short time in a child's life but it can be a very difficult time for parents. It is a critical time in a child's life. We should be providing supports right through until the child starts primary school. Ministers have made very little noise about this issue since the general election, despite the fact that there were a lot of promises made during the general election itself.

The issue of extending unpaid parental leave is one that I believe we need to give urgent attention to. While we recognise that some parents simply cannot afford to take unpaid parental leave, the current limits that are set do not make any sense at all in my view. They are minimalist and heavily based on the basic EU requirements. They put the interests of employers ahead of the interests of children and their parents. Currently, the most any one parent is allowed to take in unpaid parental leave is 18 weeks per child. Again, there are no swapping arrangements allowed between the two parents.

In my view, extending unpaid parental leave would lead to four key wins. Parents win because, at their own discretion, they can take time out to look after their children while still retaining job security and maintaining a link to the workforce. Jobseekers win because, in most cases, the post vacated by the parents creates an employment or promotion opportunity for someone else. It actually redistributes wealth across society and saves the State money. It is a no-brainer in many respects. Employers win because they reduce friction with their workforce

and facilitate employees who would otherwise have a highly pressurised work and family balance. Wage costs also tend to be reduced when long-term staff are replaced for the period of parental leave. Society wins because it gives much better job security for women and helps to drive the retention of female employees in the workforce over the longer term. Everybody wins in that situation. I really cannot understand why we are not moving to vastly extend entitlements to unpaid parental leave.

The start date is an issue that has been raised with me and with other people. Fathers have highlighted a concern regarding the start date of this legislation, which is put as 30 September. This excludes anyone who has become a father in the past few weeks. The legislation was promised in the budget nine months ago. It is not the fault of those fathers that there was an election or that there was a long, drawn-out process to form a Government. Under the provisions of the Bill, paternity benefit and leave can be taken any time within 26 weeks of the birth of the child. In view of the fact that there has been a delay in bringing in this legislation, a number of people have been disappointed. I ask the Minister to apply this rule to anyone who has become a father over the past 26 weeks.

The other point I will briefly raise is an anomaly with regard to maternity benefit law that has been brought to my attention. A woman who genuinely gets sick early as a direct result of her pregnancy and fails to have her work contract renewed as a result cannot currently meet the qualifying criteria for maternity benefit as one has to be in insurable employment for a certain minimum period in advance of one's expected due date. In other words, pregnancy related illness has led to a woman being directly excluded from maternity benefit. I believe this anomaly needs to be addressed.

While I welcome this legislation, I ask where the family leave Bill is, which we were promised would consolidate all family leave arrangements. I believe it would be very worthwhile if it was available. We had been promised it by the then Minister for Justice and Equality, Alan Shatter, and it is now overdue, but I welcome this Bill. Let us see it as a first step.

Deputy Catherine Martin: I thank the Minister for bringing this Bill before the House and I welcome the introduction of a paternity leave entitlement. Some 40 years ago, Sweden became the first country in the world to introduce paid parental leave. However, it is only now in 2016 that fathers in Ireland will have access to any kind of paid paternity leave. The Nordic countries, when dealing with parental leave, operate under the assumption that children under the age of one are best cared for at home. How a child is cared for during the first year after birth is of utmost importance for his or her development. Studies have found that the placement of infants outside the home in the first year after birth can have negative developmental impacts. We must ensure that every parent has the freedom and ability to do what is best for his or her child. For children to develop secure attachments to the main care givers, it is essential that parents have the ability to take time to care for their children during this crucial period without fear of financial burden. The fathers of this country are an integral part of that, and it is well past time that the House has sought to create security for them to be able to make that attachment with their children, which in turn gives greater security and care to infants.

I strongly welcome the introduction of a paternity leave entitlement. However, I also believe that to ensure the best interests of the newborn children and the parents of this country we must continue to expand statutory leave entitlements for both parents. We must also move towards an approach that is oriented towards parental leave encompassing both parents, rather than a system which makes a strong distinction between paid maternity leave of 26 weeks

and paid paternity leave of only two weeks, with the only provision of parental leave being an unpaid one. Currently, while we have equality between both parents for access to unpaid parental leave, this entitlement has created its own inequalities in our society. In the words of my colleague, Deputy Eamon Ryan, in the House more than ten years ago: “if parents are poor and cannot afford to take parental leave because of a loss of salary, the Government is saying, ‘Sorry, this is not for you’.” While there is an entitlement to paid maternity leave, this does not fully recognise the partnership of both parents in families where this is applicable. We must create a system with a paid entitlement which everybody can avail of and which recognises that every parent has a unique role to play.

The paternity leave entitlement created in this Bill seeks to complement existing paid maternity leave benefits, and I welcome the provisions of the Bill that allow this provision to be passed to the other parent upon the tragic possibility of the death of one parent. However, while it is crucial that we do not reduce the important existing maternity leave benefits available to new mothers, comprehensive reform must be introduced which helps both parents to care for their child properly in the early, formative years of his or her life. Parenthood can be a partnership, and it is important that we allow families with two parents the flexibility to work as a partnership. The introduction of paid parental leave for the first six months after birth in addition to existing maternity leave would be a much more appropriate system for the 21st century.

With this legislation the House is getting the ball rolling on an issue that still requires comprehensive reform to fully realise how we view parenthood, and how we seek to act in the best interests of our children. It is still only papering over the holes in our parental leave system. I welcome the Bill, as two weeks is better than none, but I call on the Government to continue to phase in entitlements to which all parents will have access, be they rich or poor, mothers or fathers.

Deputy Kate O’Connell: It is a pleasure to speak in support of the Paternity Leave and Benefit Bill. The Bill marks real progress in appreciating the importance of the role that fathers play in their children’s lives. It is fantastic that this Government is promoting the rights of fathers and the balance between work and family that is necessary for a good quality of life for both parents and children. Furthermore, I am particularly happy to support the Bill because it promotes equality in many forms.

The positive impact fatherhood brings to a man’s life is well known and this Bill is a step in the right direction in the promotion of sharing the responsibilities and benefits of parenting between mothers and fathers. Granting two weeks paternity leave to fathers is also a progressive step for gender equality, because it allows fathers to take up a caring role and bond with their child from the beginning of their child’s life. Extensive research has shown that when fathers take advantage of paternity leave, they are more likely to continue to perform child care tasks as their children grow up. This in turn is beneficial for women’s career prospects as they can focus more time on work, which may eventually help to reduce the gender pay gap. Mothers are also less likely to face the motherhood penalty in the workplace if both parents are able to take time off at the birth of a child.

If only mothers are granted maternity leave, women in general are more likely to be seen as a risky investment by employers. Consider the situation a young woman finds herself in when applying for a job, when she is equally, if not better, qualified than others to assume the role. Irrespective of what the law says, there remains a lingering fear in the prospective employer’s mind that she will be a liability to employ given her entitlement and perceived likelihood to take

maternity leave. As an employer myself, in a female dominated profession, I am ashamed to admit the thought has crossed my own mind at times.

I would love the maternity benefit entitlement in Ireland extended to bring it in line with that in the UK, where pay is provided at the statutory level for 39 of the 52 weeks, based on the salary of the parent who is on leave. By extending the opportunity to men to take leave as a new parent, the risk is spread across the genders and there is huge potential for increased female participation in the workforce. Many countries have found that granting leave to fathers has been associated with higher percentages of women in the workforce, especially in the Scandinavian countries where these protections are especially strong.

The Bill also provides for the right of LGBT and adoptive parents to be involved in the early stages of their children's lives. One year after the vote for marriage equality in Ireland, I am proud to see this Government acknowledge that families exist in many different forms by extending this right to paternity leave to same-sex couples as well. This change is in line with international best practice, which can already be seen in numerous countries in Europe. The EU has long promoted flexible working arrangements, and it is great that our Government is choosing to apply a similar positive outlook to parenting. It is time for Ireland to catch up, as 23 EU member states already offer some form of paid paternity leave. It has been shown repeatedly in academic research that this type of measure has a big impact on gender equality and both parents' ability to work and care for children.

Paid paternal leave is also hugely beneficial to children's health and development. Research from the British Marmot Review in 2010 found that: "Paid parental leave is associated with better maternal and child health and is especially associated with lower rates of maternal depression, lower rates of infant mortality, fewer low birth-weight babies, more breast-feeding and more use of preventative health care." Closer to home, a 2013 Department of Children and Youth Affairs report stated that introducing two weeks paid paternity leave was necessary because of the central role of parenting to "children's cognitive, social and emotional development, as well as their behaviour, education and physical health".

I believe that this Bill strikes the correct balance between the interests of employers and the interests of children in having the support of both parents during a crucial life stage. The relaxation of notification requirements provided for in the Bill reflects the unpredictability of this important time for families. The fact that leave for fathers will be paid is to be welcomed because it greatly increases the number of parents and children who will benefit from this time together. International experience has shown that without sufficient financial support, parents are unlikely to take leave granted to them because of the barrier this creates. I hope that alongside this Bill, we will see a great deal of promotion with employers and workers to ensure that no family misses out due to a lack of awareness.

There is a strong economic rationale for investing in young children and their families, especially during the early years of their development, because of the resulting benefits for society and a high rate of return. Every euro spent on supporting fathers in caring for their children has the potential to save costs in future years. Now that we are finally entering a period of relative economic stability and growth - I hope, after this morning - we will invest in families and children.

The Bill is undoubtedly a positive move. However, I hope it is just the first step towards creating a more flexible caring framework for Irish families. It is possible for the State to sup-

port more sharing of caring responsibilities between parents and more flexibility by giving each family the ability to decide what works best for them. I hope to see a more open dialogue with my colleagues across the House concerning the potential sharing of parental leave between parents and how we can empower individual families.

Every family is different, and the individual difficulties faced by families of multiple births, children born prematurely and children with disabilities should be taken into consideration as we develop statutory leave that is truly supportive. Unless one's family or friend group is faced with situations such as this, it is hard to understand how challenging a time it can be. Through my life I have witnessed extremely premature babies being born and surviving against the odds, some at just 24 weeks' gestation. It can take months for our skilled doctors to get these children to a stage of life at which they can be released to the care of their parents, only for the parents to find their statutory leave has been used up and there is no clear financial provision for the care of these delicate infants in the home. I am hopeful that, in time, we can take the necessary steps in the Chamber to address the needs of these parents and children and to recognise that while it may not be on our own doorstep today, it is arriving on that of someone else. I hope we can develop an even more progressive approach to child care in this country which would allow fathers to use the remaining months of maternity leave should the child's mother choose to return to work early. This type of system has already been applied to great success in other countries, including the UK.

Many employers now recognise the value of giving employees of both genders time off around the birth of their children. Companies such as Facebook and Google have already chosen to give multiple weeks' paid paternity leave because they recognise the value of these early weeks and are able to benefit from the happier workforce who are now capable of sharing their parental responsibilities. After all, a father's involvement does not end after two weeks, thankfully, and I support equal opportunities for both parents, irrespective of their gender, to spend time with their children during their early years.

I am proud to give my backing to the Bill and to stand up for parents, children and families and the value of their time together. Had this legislation been enacted 12 months ago, more than 1,200 families in my constituency of Dublin Bay South would be feeling the benefits today. I urge other Members of the House to hesitate no longer. Support equality for all, at home and in the workplace, and join me in voting in favour of the Bill.

Deputy Josepha Madigan: I am delighted to welcome this new legislation. Although the Bill has quite modest aims, it is groundbreaking in concept. It recognises the contribution fathers make at a crucial time in the life of a family, particularly in the life of a child, and it puts on a statutory and monetary footing a recognition of the importance of the involvement of both parents in a child's life. The Bill is just a reflection of the main commitment in the programme for Government over the coming years to assist families, particularly working families, and to assist with child care, including through the second preschool year we have put in place.

The Bill is long overdue, but it is only now that we are in a position to cover it. As Deputy O'Connell said, it puts us in line with other EU member states that already have such a measure in place. We know from the research alluded to earlier that the early years are vital to children's well-being and, as legislators, we need to take an holistic approach to the family unit as a whole. We must do all we can to help both parents.

I am delighted to have been appointed to the Oireachtas Joint Committee on Children and

Youth Affairs and I hope to explore all of these areas regarding the care of children. From a policy perspective, I fully support the Bill. From a personal perspective, I have been self-employed for almost 20 years. When I had my two sons, now aged ten and 12, I went back to work after eight weeks. I probably would have gone back to work after six weeks had the Bill been in place at the time. My husband would have been able to take those two weeks for me, whereas he had to take a week of his holiday time as an employee. This was quite difficult. There was a lot of pressure on me as a self-employed person. If this legislation had been in place, it would have helped.

One aspect of the Bill which is particularly groundbreaking relates to self-employed men who, for once, are being looked after. According to the Minister, Deputy Varadkar, there are 256,000 self-employed men in Ireland. I am delighted they will be looked after. When self-employed people take any time off they lose business because most people want that person to run the business. Even though the €230 per week may be modest in the view of some people, it will make a difference. It can be taken up to 28 weeks after the child's birth at the parent's own discretion. It will help. I am also an employer, obviously. Employers will also, at their discretion, be entitled to top up this payment to the father. This may be difficult for a small business, and quite draconian, but I encourage employers to do so if at all possible. When we look at it in the context of the amount of time a woman can take, which, quite rightly, is 26 weeks of paid leave and another 16 weeks of unpaid leave, two weeks is quite minimal for fathers. If employers can top it up at all, I encourage them to do so.

This is a great step in the right direction and, at a cost of €20 million per year, it is not insignificant. I would like to see it rolled out further down the line, with more benefit and more extended paternity leave. I am sure Deputy O'Connell will agree that, as female Deputies, if our husbands did not play the role of father to the five children we have between us, we certainly would not be able to do this job. *Fir na hÉireann* need to be looked after also in legislation, and not just *mná na hÉireann*.

Traditional notions of stereotypical gender roles are changing. As a family lawyer I have seen this with regard to marital breakdown. We need to look after fathers. I am glad this is a step in the right direction. I welcome the Bill and I look forward to further developments.

Minister of State at the Department of Justice and Equality (Deputy David Stanton): I thank Deputies on all sides of the House for their very valuable and well researched Second Stage contributions and for the broad support that has been given to the Bill. Paternity leave is an issue that the Tánaiste has been promoting since before the 1990s. She is particularly pleased to have been the Tánaiste to introduce this measure. I have also long been an advocate of fairer sharing of family responsibilities.

This afternoon, many of my colleagues have outlined the benefits to the individual family and to wider society of fathers taking a more significant and meaningful share in the parenting of their children. I support and echo these comments. We want what is best for children. All the evidence shows that, in parenting, what is best for children is the involvement of their fathers in their practical care and day-to-day lives. Even a short amount of paternity leave can equip new fathers with the skills and confidence that are instrumental to providing this care. Physiological changes occur in fathers when new babies come on the scene. Hands-on fathers suffer from less stress. Where girls are concerned, a positive relationship between father and daughter can give confidence to girls. It benefits everybody. Some colleagues mentioned the importance of bonding between fathers and their children. When one of my children was born,

an older man told me I would not stop worrying about him until I was six feet under and he was right.

Fathers who take paternity leave are more likely to take an active role in child care as the child grows. Evidence also shows that paternity leave has longer term benefits for a child's development and learning abilities. The benefits paternity leave will deliver to the whole family extend well beyond the few weeks the father spends with his new baby. Paternity leave promotes equality for women, which has been mentioned by quite a number of colleagues. What is ostensibly a measure to support working fathers also promotes and supports higher levels of female participation in the workforce. I was particularly interested in some of the comments some colleagues made in that regard. When child care responsibilities fall mainly on mothers, the effect is to reduce women's salaries. Time away from work can deprive women of experience and promotions and when men share more of the child care, the effect is lessened. This Bill, through its introduction of a combined package of leave and paternity benefit, promotes increased involvement of fathers in a thoroughly practical way. The Department of Social Protection will provide a minimum paid paternity benefit of €230 per week for the two weeks of paternity leave. A father can commence his paternity leave right up to the end of the 26th week after the child's birth, which allows a significant amount of flexibility and recognises that families have different child care needs.

Reference was made to children born before 30 September next and we may look at that on Committee Stage. There has been no delay in bringing forward this legislation. Budget 2016 heralded the introduction of two weeks' paternity leave from September 2016 and that is what we are now working hard to try to achieve. There has been no major delay here.

The Government is acutely aware of the pressures on young families and wants to implement measures to support them. As the Tánaiste said, this legislation will bring the number of weeks of paid support to parents on the birth of their child to 28. We hope we will be in a position to extend this provision further in the years ahead. The programme for a partnership Government also contains a commitment to significantly increase paternity leave over the next five years. Many colleagues mentioned that and recognise that this is a start. There is a commitment to increase this over the next number of years.

An incremental approach is common when introducing paternity leave schemes. Sweden recently increased its provision from eight weeks to 12 weeks. The provision for two weeks is similar to that in the UK where fathers can take one or two weeks. Our six-month window for taking the leave compares favourably with the UK, where fathers must take the leave within eight weeks of the birth of the child. The Government is also cognisant of limiting potential costs of family leave to businesses. In this regard, the Bill ensures that there will be no statutory obligation on an employer to continue to pay the normal salary during paternity leave. There will also be no change to employer's PRSI to fund this proposal.

I look forward to engaging further with Deputies on the technical aspects of the Bill when we return to it on Committee Stage. I commend the Bill to the House.

Question put and agreed to.

Paternity Leave and Benefit Bill 2016: Referral to Select Committee

Minister of State at the Department of Justice and Equality (Deputy David Stanton):

I move:

That the Bill be referred to the Select Committee on Justice and Equality pursuant to Standing Orders 82A(3)(a) and 126(1) of the Standing Orders relative to Public Business and paragraph (8) of the Orders of Reference of Select Committees.

Question put and agreed to.

The Dáil adjourned at 4.45 p.m. until 12 noon on Monday, 27 June 2016.