

Water Reform in Ireland The Congress Response

Presentation to Congress Seminar

Secure Supply? The Future of the Irish Water Sector

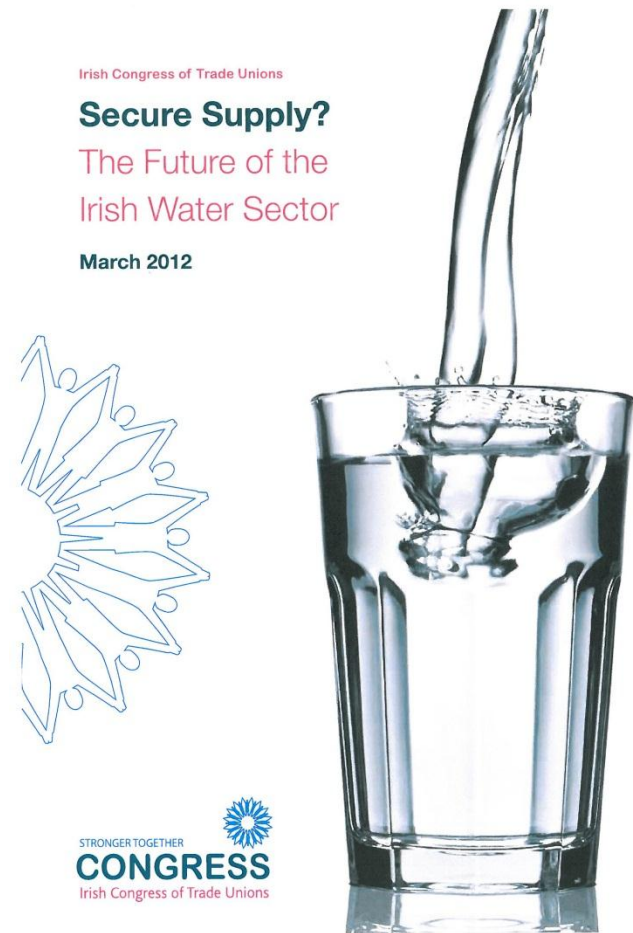
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Why Today's Seminar?

- Gives Congress an opportunity to put our submission on the reform proposals into the public domain.
- Ask the questions that the Department's Position Paper fails to answer.
- Propose some alternative approaches.
- Provide a platform for debate on these vital issues.



Water - A Public Good

- The United Nations characterise water as a public good while access to water is a human right.
- No place in our view for private sector involvement.
- Bad experience of privatisation in Ireland.
- Eircom and Bin Collection Services.

The Water Distribution Assets

- Transfer of assets from the Local Authorities to water utility company.
- Justified on grounds of lack of co-ordination.
- Ignores considerable degree of co-ordination across local authorities at present.
- Ignores the value of integration of water with other local authority services.
- Fails to give any view of what local authorities might look like once transfer has occurred.

Infrastructural Development

- Little doubt that there is a requirement for capital spending on infrastructure.
- Claimed that the new utility company need to own assets in order to borrow money or raise bonds.
- Some contention about this proposition.
- Could utility company raise bonds or borrowing without asset ownership?
- Using assets as collateral suggests that they can be sold in the event of a default?

Domestic Water Charging

- There is a contradiction in the various policy perspectives.
- Full Cost Recovery V The Free Allowance
- Will fail to win public support if introduced in isolation and without,
 - Simultaneously introducing tax reform that targets wealth and the wealthy,
 - A fair free allowance,
 - The State continuing to be involved in the funding of the sector,
 - Value for money.
- Economic Regulation not appropriate. A role for the Oireachtas.

Staffing

- PWC Report contends that the sector is overstuffed.
- PWC Report contends that there will be a assumes much smaller workforce in the sector.
- Big caveat depends on the “outsourcing strategy” adopted.
- Raises fears about a privatisation agenda!

Water Sector Reform – What Should be Done?

- Yes there is a role for a central authority?
- Strategic Body.
- Planning and delivering infrastructural development.
- Local Authorities as its agents.
- Collector of chargers.

Key Questions

- There are considerable risks associated with the transfer of the distribution network. Have they been properly assessed?
- There is a requirement for clarity on the funding of the sector.
- Staffing of the sector?
- The future role for Local Authorities.
- There is a need for a more inclusive and more comprehensive debate about this issue.
- Troika will have to be patient!!!

Contact

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