POLICY PAPER

‘You Don’t Miss the Water ’til the Well Runs Dry’: Factors Influencing the Failure of Domestic Water Charges in Ireland

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Abstract: Access to safe drinking water and wastewater services is essential for public health, and well-being, but attitudes differ regarding how such services should be funded. In Ireland, the 2014 introduction of a domestic-sector, consumption-based, charging regime was met with public protests, leading eventually to the suspension of charges in 2016 and a subsequent recommendation by a parliamentary committee that they be abolished. Given that some form of domestic water charges exists in all EU countries, and that charges may still be required to comply with EU legislation, it is important to understand why the Irish domestic-charging policy failed. This paper presents five factors that were arguably influential in generating the opposition to such charges: whether water services are perceived as public, private or social goods; levels of public trust in government; personal values; ‘framing’ of the water charges policy; and the timing of the introduction of charges.

I INTRODUCTION

Access to safe drinking water and wastewater services is accepted as being essential for public health and well-being, but attitudes differ across Europe and internationally as to how such services should be funded. Prior to 2013, domestic water services in Ireland were funded through general taxation after the
nationwide abolition of non-consumption-based domestic charges in 1997. The introduction of direct charges for water services in 2013 under the Water Services (No.2) Act was met with public opposition and protest, following which the charges were initially suspended and then recommended for abolition in 2017. As a result, Ireland is the only nation in Europe where the majority of households do not pay directly for the water they use (McGuill, 2016). The objective of this paper is to provide some insights on Ireland’s continued reliance on funding domestic water services from the central Exchequer. It focuses, in particular, on what underlying factors may have been influencing the public’s response to consumer water charges and the government’s eventual decision to abolish the charges.

The paper begins with a summary of the European and Irish legislative context underpinning the funding of domestic water services. It then explores five factors that played a role in people’s attitudes towards water charges and the failure of the policy: contested views of water as a resource; levels of public trust in government; personal values regarding water services; how the water charges were ‘framed’ by government, activists and the public; and the timing of the introduction of the charges. The implications of these factors for the future provision of sustainable domestic water services are then discussed, along with an exploration of the representativeness of the anti-water charges campaign. Finally, the importance of, and approach to, addressing the factors underlying the opposition to the charges are examined.

II FUNDING OF WATER SERVICES IN EUROPE AND IRELAND

In the EU, the overarching policy for water management is the Water Framework Directive of 2000. The Directive promotes an integrated approach by combining the perspective of a right to water with the protection and management of water resources (van Rijswick, 2011, p.116). The preamble to the Directive recognises the public and social values of water in the statement that ‘Water is not a commercial product like any other but, rather, a heritage which must be protected, defended and treated as such’ (European Union, 2000, p.1). However, it also recognises the economic perspective, stating that ‘The principle of recovery of the costs of water services, including environmental and resource costs associated with damage or negative impact on the aquatic environment should be taken into account’. This dual goal is further elaborated in Article 9, where Member States are to ensure, by 2010, that ‘water-pricing policies provide adequate incentives for users to utilise water resources efficiently and, thereby, contribute to the environmental objectives of the Directive’ and to ensure an adequate contribution towards the cost recovery.

There is no explicit reference to a right to water in the Irish Constitution and the country abstained from the vote on the adoption of the UN General Assembly 2010 Resolution on the right to safe and clean drinking water (TASC, 2012, p.6).
Until the late 1970s, domestic water services provided by local authorities were financed by means of water ‘rates’ paid by households, calculated relative to home value. In rural areas, central government provided grant assistance as part of a programme to increase water supplies, usually by means of group water schemes or private wells. Members paid a (usually flat-rate) charge to cover the costs of maintaining the schemes (Gleeson, 2003, pp.212-213). This system changed in 1977 when the Fianna Fáil party was elected to a majority government on a promise to abolish domestic water rates with services to be funded by increased indirect taxes and a “rate support grant” for local authorities. However, following the election of a Fine Gael-Labour Party coalition government in late 1982, grant aid was cut and local authorities were given the power to levy domestic water charges (Jollands and Quinn, 2015, p.172). A (flat-rate) local authority domestic-service levy was introduced in 1985; however, as the previously increased taxes were not reduced, there was public opposition, particularly in the Dublin City area, to what was perceived as ‘double taxation’. As a result, the levy was implemented by most local authorities but not in Dublin city and county (CPA, 2015, p.6).

This situation persisted until 1994, when Dublin was divided into four new local authority areas, all of which, apart from Dublin City, introduced a flat-rate water charge. Again, there were public concerns about double taxation and the prospect of increasing water prices, and a period of public demonstrations, boycotts and court cases over non-payment followed. In advance of the upcoming general election in late 1997, the Fine Gael-Labour Party government passed the Local Government (Financial Provisions) Act, 1997 which effectively abolished domestic water charges for the whole country, a move widely regarded as an attempt to block anti-water charge election candidates (McGee, 2012). The cost of public water services was now funded from the proceeds of motor taxation receipts. Critics pointed to the lack of incentive to conserve and, as pointed out by the OECD (2010b, p.73) and the Irish Commission on Taxation (2009, p.15), inequalities were created between households who did conserve water subsidising those using it irresponsibly. Investment in water infrastructure was compromised as it failed to compete with areas like health and education for Exchequer funds. This has resulted in an average age of watermains of 65 to 85 years, compared to an EU average of 36. Approximately half the treated water is lost due to leakage and at least 180,000 properties are at risk of not meeting EU lead standards for drinking water (Irish Water, 2015, p.14).

III INTRODUCTION OF DOMESTIC WATER SERVICES CHARGES IN IRELAND

The first indications of a possible reintroduction of a domestic water-services charge came at the height of the financial crisis in 2009, in the Renewed Programme for Government of the Fianna Fail-Green Party coalition, which proposed to charge for
treated water use that is fair, significantly reduces waste and is easily applied...based on a system where households are allocated a free basic allowance, with charging only for water use in excess of this allowance’ (Government of Ireland, 2009. p.5).

This was followed by a decision to introduce a scheme of water charges in the National Recovery Plan 2011-2014 (Government of Ireland, 2010a). This plan became the basis for the agreement in November 2010 of the EC-ECB-IMF ‘Troika’ financial support package (Government of Ireland, 2010b).

A new Fine Gael-Labour government came into power in 2011 but it was not until 2013 that the Water Services (No.2) Act established domestic billing and a new semi-state company – Irish Water – to take over responsibility for the management of water services. In October 2014, after a public consultation process, Irish Water’s charges plan was approved based on volumes used and a free allowance (Irish Water, 2014). However, the policy began to unravel following a period of nationwide protest resulting in a new scheme of charges announced in the Water Services Act, 2014, introducing reduced prices and placing a cap on bills (CPA, 2015). The anti-water charges movement was initially centred around members of the United Left Alliance and small socialist groups, as well as non-party elected representatives. Its central message was “People already pay for water. This is another tax. It is a money-raising and privatisation ploy by the Government” (McGee, 2012). Public protests followed, mainly in the larger cities, followed by the formation of the ‘Right2Water’ campaign in September 2014 consisting of activists, citizens, community groups, trade unionists and political parties including Sinn Féin, Anti-Austerity Alliance, People Before Profit and the Workers’ Party, as well as independents. It called on government to recognise and legislate for access to water as a human right and to abolish the planned introduction of water charges (Herne, 2015).

Public protests continued, including disruption of water-meter installations until, following a general election resulting in a Fine Gael-led minority government supported by Fianna Fáil through a ‘Confidence and Supply’ arrangement, a decision was taken in May 2016 to suspend domestic water charging pending a review of the system by an Expert Commission (Expert Commission on Domestic Public Water Services, 2016). This ultimately resulted in funding of water services reverting to general taxation while ‘wilful wastage of water’ was to be monitored and subsequently addressed by means of ‘incentives, levies and other measures’ (Houses of the Oireachtas, 2017, pp.7-9).

IV FACTORS INFLUENCING PUBLIC ATTITUDES TOWARDS THE WATER CHARGES

The anti-water charges campaign appears to have been instrumental in the eventual recommendation to abolish the charges. But what exactly was it about the charges,
or the Irish situation, that generated this opposition, given that similar charges have been in place in all other EU Member States?

### 4.1 Factor 1: Defining Water as a Public or Private Good

A key argument put forward by the Right2Water campaign was that water is a human right and so should be available to all without restriction. This view is part of the more general debate on whether water should be regarded as a public or a private good which, in turn, has implications for one’s view on how the supply of water should be financed.

#### 4.1.1 Water as a Right / Public Good

Some see access to water services as a human right and governments responsible for ensuring free access for all (OECD, 2003). In 2010, the United Nations General Assembly declared ‘safe and clean drinking water and sanitation to be a single human right under international law’ in its July 2010 Resolution (United Nations, 2010). The global water justice movement states ‘water is the common heritage of all humans and other species, as well as a public trust that must not be appropriated for personal profit or denied to anyone because of inability to pay’ (Sultana and Loftus, 2012, pp.5-6). In Ireland, some political parties are also of this view (see Sinn Féin, 2015) and regard a charging regime as infringing those rights.

#### 4.1.2 Water as an Economic Good

The economic resources needed for the provision of water services allows water services to be viewed as a private good with a consequent value. Prior to the Rio Earth Summit in 1992, the International Conference on Water and Environment held in Dublin adopted four principles for sustainable water management, one of which states that ‘Water has an economic value and should be recognised as an economic good, taking into account affordability and equity criteria’ (ICWE, 1992, p.3). Other organisations such as the OECD (1987) highlight the economic character of water services.

In Ireland, some of those opposing domestic water charges saw the establishment of Irish Water eventually leading to the privatisation of water services. The most commonly expressed view among those making submissions to the Expert Commission during its review of the charges in 2016 was not opposition to water charges \textit{per se}, but rather concern that water charges, and metering of domestic households, could eventually lead to privatisation of water services (Expert Commission on Domestic Public Water Services, 2016, p. 18; O’Neill \textit{et al.}, 2018).

#### 4.1.3 Water as a Social Good

The acknowledgment in the Dublin principles of affordability and equity also widens the definition of water and sanitation services to include social or ‘merit
good’ characteristics. Others regard access to water services as important for basic human dignity and, thus, socially desirable (OECD, 2010a). In the European context, some are concerned that there ‘is no formal legislation to protect economic accessibility’ in the Water Framework Directive (van Rijswick and Keessen, 2012, p.135) and that implementation of the Directive may lead to affordability issues for low-income groups and rural communities (Reynaud, 2016, pp.66-67). According to the European Association of Public Water Operators, there is some evidence that the cost recovery requirement of Article 9 of the Directive has been one factor in recent water price increases in the EU.

In Ireland, concerns about the potential impact of charges on poorer households were at the forefront of anti-charges campaign. For example, the Mandate Trade Union (2016) stated

*Ireland is currently the only country in Europe with zero water poverty. Our government want to change that and introduce this new form of poverty to the Irish people.*

Prior to the introduction of the charges, the government established an Interdepartmental Group to consider the affordability of proposed charges which found that single occupancy households, large families and those with medical needs were likely to be affected from a poverty perspective. However, it noted that any scheme to subsidise such groups would be both technically and administratively difficult (Interdepartmental Working Group on Affordability Measures, 2013, p.2). In the eventual system of charges, the main affordability measure was the provision of a free water allowance for households of 30,000 litres per annum plus 21,000 litres for each child under 18; along with a capping of charges at €160 for single-occupancy households and €260 for households with two or more adults and a €100 water conservation grant to assist households with conservation measures (Expert Commission on Domestic Public Water Services, 2016, p.15).

4.2 Factor 2: The Role of Trust in Irish Attitudes to Paying for Water

In addition to one’s views on whether water should be regarded as a public or economic good, aspects of our experiences and daily lives can also influence how we respond to any new situation, often in ways of which are not directly aware, and this can affect the success of new policies such as water charging. ‘Mental models’ are one way to explain how we think about things in the world around us. They contain assumptions that are often based on our own previous experience or the experiences of our peers. These can influence what we perceive, pay attention to, and recall from memory (World Bank, 2015, p.69). One key influence on our mental models is our level of trust, which is usually understood as holding a positive perception about the actions of an individual or an organisation (OECD, 2017, p.16). Internationally, public trust in national governments and political institutions
has been declining in recent decades (Quandt et al., 2015, p.1). There is evidence that individuals hold more negative views towards government and the economy when exposed to economic insecurity (Reeskens and Vandecasteele, 2016, p.24). Among EU Member States, public trust in national political institutions fell by 18 per cent between 2007 and 2013 (Hobolt, 2014, p.56), particularly in countries that were confronted with austerity measures perceived to have been imposed by external actors (Pennings, 2017, p.99). This was especially evident in Ireland: between 2006 and 2014, levels of distrust in the Irish parliament increased from 39 per cent to 54 per cent (Brereton and Fox-Rogers, 2016), peaking in Autumn 2010, when Irish citizens had the highest levels of distrust in both their parliament and government of all EU15 countries (Roth et al., 2011).

These low levels of trust by the Irish public would appear to have been replicated in their reaction to the government’s water charges policy, as seen in the following examples. Firstly, there were suspicions from the start among certain groups that the establishment of Irish Water was the first step towards privatisation of water services and this may well have created a predisposition among certain groups to a lack of trust in the water charges policy as a whole. Secondly, the initial tariff regime published in mid-2014 was regarded as misleading by some since it contained a lower-than-expected child allowance of 21,000 litres and a somewhat higher-than-expected average household charge of €278 (Kelly, 2014). The subsequent scrapping of this plan just months later and its replacement with a reduced tariff structure and capped charges under the Water Services Act 2014 is likely to have further confirmed in the minds of many that they could not trust the government’s messages on the charging regime. In addition, the government’s insistence that the Water Conservation Grant introduced as part of the 2014 Act was separate from the charges was undermined by its own inclusion of the grant amount in official calculations of the net yearly cost to households of the new regime (O’Leary, 2018, p.48). Efforts were made to enhance trust through the establishment of the Public Water Forum under the Water Services Act 2014 as an independent consumer consultative forum to address affordability issues, costs, communications/education and engagement (Public Water Forum, 2017).

Bicket and Vanner (2016, p.2) argue that

*People are more likely to accept policy if they trust the governing institution...while a lack of trust has been observed to be accompanied by lower levels of willingness-to-pay.*

Research by Walsh (2012, pp.454-455) on tax compliance, for example, indicates that, if there is a lack of trust in government to spend tax revenues wisely, this will have negative effects on compliance levels.

A linked issue is that of fairness (or justice), in that decisions or policies on natural resources such as water are more likely to be accepted by the public if the
process is regarded as being fair (Syme et al., 1999, p.53). This may have been a factor in the refusal of a certain number of protesters to pay their Irish Water bills (Irish Water, 2016). Fairness was a recurring theme in the anti-water charges campaign, as evidenced by statements such as:

...the low income, working class people have really felt the brunt of this government, and the wealthy and rich have once again emerged unscathed. Unfair, unjust and promises broken...the water movement...has awoken the Irish people to the unjust way this country is governed (Herne, 2015, p.3).

It is interesting to compare the lack of trust on the part of Irish anti-water charges protesters with that of group water scheme members. Group schemes are predominantly rural, run by local communities and voluntary committees which, it is argued, gives them a higher moral suasion than central government resulting strong ‘buy-in’ from members (McGee, 2012). Such local and personal connections to the source of water services is not something experienced by most urban residents and so could be regarded as an additional factor in their lack of trust. However, the point must be made that, up to 1997, the majority of households on local authority-run water schemes around the country were willing to pay for water services and all public system users, rural and urban, had paid water rates for decades up to their abolition in 1977.

4.3 Factor 3: Influence of Personal Values on Paying for Water Services

Another significant influence on our ‘mental models’ are our personal values, particularly those influenced by family and culture. Research on tax compliance, for example, has shown that people’s level of compliance is strongly linked to both their personal beliefs and those of society at large. In general, they ‘seek to comply because they believe it is the right thing to do, not because of fear of punishment if they do not comply’ (Walsh, 2012, p.454). In relation to water services, there is a view that most of today’s water problems actually have more to do with values rather than being related to technology (Hoekstra, 1998, p.621). As discussed in Section 4.1, water can be regarded not just as an economic good with market and pricing dimensions but also as a human right and thus freely available, or a social good involving issues of affordability and equity. Thus, as Moss et al. (2003, p.17 and 27) argue,

Much of the tension around the value of water is due to...the fact that people hold very dearly to the non-market values that they fear will get lost if water systems are managed through market approaches.... [these include] the fear of loss of local or social control of water resources.

As noted above, there was a strong concern expressed that the water charges in Ireland would pave the way for the ultimate privatisation of water services and that
public control of these services would be lost. There were also fears that people’s right to water would be threatened by the introduction of direct charges.

However, even if people value water as a human right, the actual value they put on water services can be influenced by the level of service they are accustomed to receiving. According to Moss et al. (2003, pp.7 and 21), those who already enjoy the benefits of something tend to have forgotten what it would be like to live without it; the resulting complacency, they argue, leads to a situation where those who have adequate access to water appear to give it low value – as the old saying goes ‘You don’t miss the water until the well runs dry’. This may well be the situation in Dublin, where it has been 40 years since households have had to pay directly for water services. A similar situation existed in the UK up to the 1980s, as Maloney and Richardson (1994, p.126) argue:

> When sewage disposal and water supply were a local government service paid out of general or local taxes...then a particular set of public perceptions and attitudes followed: legitimacy was high and expectations were low.

They regard this as being an influential factor in the subsequent opposition to proposals to privatise domestic water services in England and Wales.

The divergence between the ‘mental models’ of the anti-water charges campaign and those of other water users can also be seen in the campaign’s claim that the charges were a form of ‘double taxation’, on the basis that the public already paid income and other indirect taxes. When faced with the fact that group water scheme members had been paying such ‘double’ taxes for years, the campaign’s response was to call for the abolishment of charges for these too and for all water services to be funded from general taxation (Joint Committee on Future Funding of Domestic Water Services, 2017).

4.4 Factor 4: How the Water Charges Were ‘Framed’

‘Framing’ is used to describe how choices are described and, also, the interpretation that we make of such choices (World Bank, 2015, p.27), both of which influence what action we may take in response (Hanke et al., 2002, p.7) and thereby influence the acceptability or otherwise of a policy. In environmental disputes, frames are generally centred around what the key issue is and how it should be settled; as in the example of Brugnach et al. (2008), a water shortage could be framed by one person as a problem of insufficient water supply but by another as one of excessive water consumption. Each frame will result in different solutions being proposed.

4.4.1 Government Framing of the Water Charges

When developing new policies, the benign approach of governments is to determine what is best for the population as a whole and then implement policies that meet that broad perspective; in the process, they tend to adopt frames that are based on
power and ‘expert’ advice (Hanke et al., 2002, p.20). According to Hanke et al. (2002), where a policy may involve some degree of risk (often the case with environmental issues), government has been shown to be more concerned with economic and scientific considerations and largely to ignore the psychological and social considerations that typically characterise the public’s views.

This appears to have been the case in Ireland, from the first reference to the reintroduction of domestic water services charges, in the 2009 Renewed Programme for Government, to the suspension of the charges in 2016. This period saw the repeated use of key terms and phrases on the part of government which served to produce a predominantly economic framing of the charges. The first of these was ‘cost’. The water charges policy was part of a large package of harsh taxation increases, cumulatively amounting to approximately 8 per cent of GDP at a time of rising unemployment and public pay cuts. This was compounded by the Plan’s broader expectation of a ‘…reasonable co-payment on the part of the citizen’ for public services in order to offset some Exchequer costs but also to ‘…lessen the waste arising from unnecessary oversupply, which is always a risk when goods or services are provided free’ (Government of Ireland, 2010a, p.59). The phrase ‘for free’ was misleading, as all public services, including water services, were financed through taxation. It may also have served to reinforce the existing inaccurate perception among certain members of the public that water was (and should remain) free. Using similar language, the terms of the substantial financial support package provided by the EC-ECB-IMF ‘Troika’ contained a commitment to ‘…move towards full cost-recovery in the provision of water services…with a view to start charging in 2012/2013’ (Government of Ireland, 2010b, p.8), without any reference to the potential social implications of such charging and how they might be ameliorated. The desire to move the funding of water charges off the State’s balance sheet was also a driving factor as pointed out by O’Leary (2018).

It is instructive to note the contrast between the framing of water charges and that of the carbon tax, both of which emerged in the 2009 Renewed Programme for Government. The carbon tax was contained in a section headed “Taxation for Sustainable Development”, where the phrase ‘sustainable development’ immediately gives a different ‘frame’ to that of ‘Local Taxation and Charges’, the section in which the water charges appeared. More significantly, there was an explicit reference to the social implications of this tax, a key principle of which was to be that ‘…those most at risk of fuel poverty will be protected’ and ‘the relative tax burden on labour will be reduced’ (Government of Ireland, 2009, p. 4). This framing had the advantage of explicitly addressing concerns both about the carbon tax’s potential impact on lower-income groups, and also about double taxation, unlike the framing of water charges, which does not provide any such reassurance. Additionally, the carbon tax was, from the outset, to be collected by the Revenue Commissioners, the government agency responsible for all taxation matters. Research indicates that the majority of Irish people consider tax evasion
to be unacceptable and that it is everyone’s civic duty to pay their taxes (Revenue Commissioners, 2013, pp.43-44). In contrast, the water charges were not presented as a ‘tax’ and were to be paid directly to Irish Water. This was essential to move the financing of water services off the balance sheet of the State which was in considerable financial stress at the time (see O’Leary, 2018). There is, therefore, the possibility that water charges were not framed in the public mind in the same way as a tax. The experience of property taxation in Ireland showed that compliance with water charges was likely far lower than if collected as a tax by the Revenue Commissioners. The €100 household charge which had been introduced in 2012 and was payable to local authorities saw widely varying compliance rates regionally, ranging from as low as 54 per cent (Deegan, 2012). In contrast, when the household charge was replaced by the Local Property Tax in 2013, and responsibility for collection given to the Revenue Commissioners, a compliance rate of 95 per cent was recorded nationwide (Revenue Commissioners, 2015).

4.4.2 Anti-Water Charges Campaign Frames
The government’s framing of the charges was quickly seized upon by members of the anti-water charges campaign, whose own frames were dominated by the social concerns that the government’s frame lacked. Right2Water, the main group opposing the water charges, was not an environmental group but more what is termed an ‘activist’ group, which tends to be made up of lay citizens who oppose government decisions but are not themselves environmentalists (Hanke et al., 2002, p.13); left-wing political parties and trade unionists also played a central role in the group. This may explain the group’s focus, not on the environmental aspects of the wider water charges debate but, rather, on the social aspects and framing of clean water supply as a human right. Activist groups tend to view the issue they are disputing as ‘…a symptom of global systemic problems, hegemony, greed, multinationals, and unscrupulous politicians’, a perspective that leads them to ‘view the actions of those above them with both suspicion and disbelief’ (Hanke et al., 2002, p.18).

4.4.3 Framing the Water Charges as a ‘Loss’ or a ‘Gain’
It is arguable that the public’s response to water charges was influenced by whether they framed the charges as representing either a ‘loss’ or a ‘gain’. This notion draws on the ‘Prospect Theory’ of Nobel Laureates Kahneman and Tversky (1979) that people value a loss more highly that an equivalent gain; as Victor (2013, p.5) puts it, ‘…people are highly averse to choices that might lead to losses’. It is not surprising, therefore, that people in Ireland who had not been paying directly for water services for decades would regard the new charges as a significant ‘loss’, even with the potential ‘gain’ to be had as a result of metered consumption encouraging water conservation and lower bills along with the ‘gain’ of a more secure source of finance for improvements in water services. This contrasts with
the experience of Irish group water scheme members who have paying water service charges for decades. In the early days of the group schemes, there was a similar negative response to an annual charge for access to services. However, the subsequent experience of the benefits which the group schemes have brought to its members, particularly in improving supply, updating infrastructure and improving water quality, appears to have turned initial perceptions of the charges as a ‘loss’ to one of gain.

4.5 Factor 5: Timing of the Water Charges Introduction

The final factor we examine is whether the actual point in time when the charges were first introduced influenced the subsequent public reaction to them. Central to this timing issue are the socio-economic conditions operating in Ireland at the time, particularly from 2011 when the charges were first announced as part of the ‘Troika’ financial support package to Ireland. Ireland had been severely exposed to the fallout from the global economic crisis beginning in 2008. The subsequent drop in government tax revenues resulting from the property market collapse, coupled with the burden of bank-rescue packages, pushed government borrowing to unsustainably high levels. The correction involved a series of harsh budgets, with significant cuts to public services and welfare payments, as well as the introduction of new charges such as the universal social charge and the local property tax. Many households were caught in a negative equity trap with property they had purchased at inflated prices during the boom years. The situation began to improve from 2014, after 2013 peaks in government debt, deprivation rates and mortgage arrears (CSO, 2015; Central Bank of Ireland, 2016, p.23). The unemployment rate more than halved from its 2012 peak to reach 6.2 per cent by March 2017 (CSO, 2017) and Ireland has continued its recovery apace since then.

In common with several other countries, a coalition of activist groups developed in an alliance against ‘austerity’, presenting the view that that the cuts necessary to meet strict fiscal targets were being ‘socially destructive and counter-productive’, resulting in rises in poverty, social exclusion and both public and private debt levels (Leahy et al., 2015). There was a significant decline in average household disposable income, from €939.80 per week in 2008 to a low of €776.26 in 2012, with slow subsequent increases to €810.40 in 2014 (CSO, 2016). The loss was greater for households in the bottom 10 per cent, with an annual fall of 7 per cent between 2008 and 2010, compared with a fall of 3 per cent for those in the top 10 per cent of households (OECD, 2013, p.4). Ireland also had the highest rate (25 per cent) of workers on low pay of all OECD countries in 2014 (OECD, 2016, p.238): this represented an income of approximately €12,291 or less, based on a 2014 median income of €19,772 (CSO, 2015).

The introduction of domestic water charges in 2014 may have represented a tipping point for certain sections of the public (Brereton and Fox-Rogers, 2016, p.4). Some commentators were of the view that
...the water charge, which might have been acceptable on its own if handled with more political skill, was coming on top of a succession of new tax impositions since 2009...here was an element of ‘enough is enough’ about the street protests... ’ (McCarthy, 2017).

Moreover, the first water-charge bills arrived into letter boxes shortly after a budget in which a strong perception was given by the then Fine Gael-Labour government that the economic crisis has been solved.\(^1\) In the heat of the economic crisis in 2008 to 2011, there had been relatively little protest with just one day of a public sector strike in response to pay cuts. However, the return of growth and general improvement in macroeconomic conditions in the run up to the Water Services Act 2013 may have led to a perception among some people that further measures such as the water charges were no longer necessary, and their abandonment would not result in economic disaster. It could be argued that the Government acted too late thereby rejecting the perceived wisdom ‘never waste a good crisis’.

V DISCUSSION

It would appear that public opposition to the introduction of domestic water charges in Ireland was not generated, or driven, by one single issue; rather, it seems likely that several factors were in play. A key claim made by anti-water charges campaigners was that water is a human right, and funding water services through general taxation is the only way to protect universal access to these services. While it may be logical to consider water as free, the treatment and transportation is not free (Moss \textit{et al}., 2003). Wastewater services incur significant costs, which a general taxation model may not efficiently deliver over the longer term. This has certainly been the case in Ireland, where investment in water services has long stood in the queue behind more politically sensitive areas such as health and education.

Public trust in government and public institutions, both internationally and in Ireland, was damaged by fallout from the economic crisis and it is likely that these partly drove opposition to the introduction of domestic water charges. The OECD outlines core issues to be addressed if citizens’ trust in government is to be restored; these include openness and stakeholder engagement in the design and delivery of public policy, listening to citizens and responding to their feedback, and promoting high standards of behaviour which reinforce the credibility and legitimacy of government (OECD, 2017, pp.22-23).

The personal values of those opposed to the water charges also appear to have played a role in shaping their resistance. Their strongly held views about the value of continued public ownership of Irish Water, for example, were taken seriously

\(^1\) See \textit{Irish Independent} (2012).
enough by the Expert Commission and the parliamentary committee for the issue to be the first one addressed in both their reports, pointing towards a potential Constitutional provision being made (Expert Commission on Domestic Public Water Services, 2016, p.1; Houses of the Oireachtas, 2017, p.6). A fourth relevant factor relates to the divergence between how the issue was framed by government and by those opposing the charges. The government’s predominantly economic and financial based framing was driven, no doubt, by the very real demands of bringing the public finances back into line and the EU’s Water Framework Directive. However, its neglect of social concerns, for example poverty proofing the measure more clearly, may have inadvertently fed public resistance to the charges. Whether the public viewed the charges as a potential loss or gain, especially for those households who had not been paying directly for water services for decades, is also relevant. Such frames of losses or gains are not necessarily immune to change, as illustrated by the changing attitudes experienced by group water scheme members over the years, thus showing the potential for a similar shift being achievable in relation to public water service customers.

A final factor explored is that the timing of the introduction of charges may have helped to fuel opposition in two ways. Firstly, there was the cumulative impact of contractionary national budgets from 2008 onwards, including service cuts, increased charges and taxes, falling income and high private debt. In this context, the water charges, coming as they did at the end of these measures, were perhaps the last straw for certain people. It may also have been that clear signs of recovery becoming obvious to the public in early 2014 may have led to a perception that the charges were no longer necessary and so could be ‘safely’ resisted i.e. the economy was no longer in danger.

Whatever the actual mix of factors influencing the attitudes of those opposing the charges and how valid these attitudes may have been, the fact remains that the anti-water charges campaign did manage to force the government into a humiliating policy reversal albeit that this was aided by the reliance of the Fine Gael minority government relying on a ‘confidence and supply’ deal with Fianna Fáil which explicitly ruled out domestic water charges. This tendency of political parties, afraid of electoral impacts, to respond to demands from the public (Russel and Benson, 2014), is by no means confined to Ireland. However, it is instructive to take a closer look at how representative of public water service users the campaign could claim to be. One way to do this is to see how many households were actually paying for their water services by the time charges were suspended in April 2016. Firstly, 20 per cent of the population had already been paying directly for water services for decades, either as part of group water schemes or by funding their own wells and wastewater treatment (Irish Water, 2015, p.11). The remaining 80 per cent were provided with water services through local authority public schemes, with many of them also paying direct charges up to 1997, with the exception of those in the Dublin area. All public system users became Irish Water customers in 2014 and
were subject to the new direct charging regime. Of these, 64 per cent had paid charges to Irish Water by March 2016 (Irish Water, 2016), representing 48.5 per cent of all households nationally. Coupled with those paying privately or through group schemes, almost 70 per cent (48.5 per cent + 20 per cent) of Irish households were paying directly for water services at the end of 2015. Had the charges continued, it is likely that this figure would have increased further, as a poll in September 2015 found that 80 per cent of voters ultimately intended to pay the water charges (Collins, 2015), a significant increase from a figure of 48 per cent in 2014 (Carroll, 2014). This poll appeared to have a high level of accuracy, given that it found 51 per cent of voters had paid their water bills by September 2015, which tallies with Irish Water billing statistics for this period that show a payment level of 55 per cent (Irish Water, 2016).

These figures suggest that the protesters may only represent around 30 per cent of households at most. While it is likely that the percentage who paid the water charges included some who were still, in principle, opposed to those charges, it nevertheless appears that a significant majority of Irish households were prepared to pay directly for water services. Exit poll data for the 2016 general election showed that fewer than one-in-ten voters (8 per cent) cited water charges as the most important issue influencing their choice of first preference candidates, even amongst those voting for parties/candidates active in the anti-water charges campaign (McShane and Fanning, 2016, p.126). Nevertheless, the Government’s response was not to proceed with the planned introduction but instead to implement a series of amendments to the initial scheme, culminating in the suspension of charges in 2016 and the subsequent recommendation in 2017 that they be abolished, and a refund issued to those who had paid.

V CONCLUSION

When a policy fails, in order to assist future policy development, it is essential to understand why. The factors driving opposition to the introduction of domestic water charges in Ireland appear to have been multiple and complex in nature, combining political and personal circumstances around the time of introduction as well as in preceding decades. Consequently, any future attempts to resolve them are also likely to be complex and time-consuming. Addressing issues relating to people’s social and economic circumstances is, obviously, a key task of government, through ongoing commitment and initiatives to tackle issues such as poverty, social exclusion and inequality. On its own, however, this will not be sufficient to address the other factors identified, which are a crucial part of achieving the positive buy-in required from all public water service users to ensure the sustainable provision of these services over the longer term. It is also arguable that citizens need to take more responsibility and that it is too simplistic to talk about a ‘right to water’.
In this regard, as Russell and Fielding (2010, p.1) point out, water demand management ‘…involves as much attention on water use behaviour as it does on technology or infrastructure’. Inducing behavioural change will require a re-framing of how water services can, and should, be funded and managed. This requires a willingness of stakeholders to come together constructively to voice and explore their divergent frames; they must also be prepared to revise, enlarge or change the way they relate to the disputed issue and to each other if mutual understanding and common action are to be achieved (Dewulf et al., 2005, pp.115-18). This is likely to be a challenging task in Ireland, given the levels of mistrust and deeply held perspectives that have characterised the debate. It is also going to be a monumental challenge given the lack of policy credibility that the government has regarding water services. While controversial, the refund of water charges to those who had paid perhaps reflects this concern by government. If the charges had not been refunded to those who paid, would otherwise law abiding citizens refuse to pay other government charges?

There is also some evidence that the framing and interpretation of water charges by the Irish public has been inconsistent. Polls suggest people agree both with a right to water concept and also that everyone should pay something as it is precious. Such inconsistency is not uncommon. Lakoff (2010, p.74) states starkly that ‘many people have in their brain circuitry the wrong frames…that would either contradict the right frames or lead them to ignore the relevant facts’ and points to the significant challenges involved in addressing such inconsistency and replacing ‘faulty’ frames:

> Those wrong frames don’t go away...What is needed is a constant effort to build up the background frames needed to understand the crisis, while building up neural circuitry to inhibit the wrong frames. That is anything but a simple, short-term job to be done by a few words or slogans.

This challenge is echoed by Convery (2013, p.5) in relation to the Irish water charges, who says the focus should be on the losses that will be incurred if they are not introduced – such as increases in taxation and prices, impacts on competitiveness and, not least, ‘the loss in reliability of water supply and its quality, if a sustainable funding system is not in place that encourages conservation’.

The 2017 parliamentary committee report has recommended that the Irish Government must provide funding certainty for water services from general taxation (Houses of the Oireachtas, 2017, p.7) but it remains to be seen if, and how,

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2 For example, a poll of over 1,000 adults published in March 2017 found that just over 50 per cent of respondents agreed that ‘Water is a human right. No charges should exist for water, no matter how much is used’; however, 70 per cent of the same respondents subsequently agreed that ‘Water is a precious resource. Everyone should pay something for water and, in particular, those who use more than a reasonable amount’ (Irish Independent, 2017).
this will be implemented. Any repeat of previous failures to invest adequately in water services will have implications for economic growth and quality of life. Nevertheless, the political system will be extremely wary of returning to the water charges issue in the near future; when it comes to water services, political, social and environmental uncertainties can make water problems ‘wicked’, in the sense that even the most innovative technical responses can generate unexpected, unintended or undesirable outcomes (Wolfe and Brooks, 2016, p.1). Thus, there is a need for further consideration of the psychological and behavioural factors influencing citizens’ attitudes towards paying for water services. As Huxley (1894/2011, p.310) put it over 100 years ago, ‘It is not to be forgotten that what we call rational grounds for our beliefs are often extremely irrational attempts to justify our instincts’.

REFERENCES


