

Aer Lingus takeover: Uproar in Dail as coalition accused of 'ramming through' sale of airline

By Pat Flanagan
27 May 2015

The sale of the Government's stake in the flagship airline was put to a debate in the chamber

Uproar broke out in the Dail today as Fine Gael and Labour were accused of ramming through the controversial sale of Aer Lingus.

There were angry scenes as the Government dumped all Dail business in favour of holding a debate on the sale which will net the taxpayer less than €400million.

Comparing the sell-off to the setting up of Irish Water, Fianna Fail leader Micheal Martin accused the Government of sidelining the Dail on what was a "bad day for democracy".

Angry Opposition TDs accused the Taoiseach of keeping them in the dark after refusing to allow them to see the report which recommended the sale of the State's 25% stake.

It now looks almost certain the sale of the former state airline will go ahead after Labour TDs who were against the sale did a dramatic U-turn.

All that now stands between Aer Lingus becoming part of the British Airways group IAG, is Michael O'Leary whose Ryanair owns nearly 30% of the airline.

International Airlines Group (IAG) chief executive Willie Walsh said he expects Ryanair to act in a "rational way" to its takeover bid.

The British Airways owner will make a formal offer within the next 28 days for Ryanair's near 30% stake.

He said: "I believe Ryanair will see the merit of the case we have made, the value we are offering in terms of this takeover and will want to see the deal go through."

DUBLINER Walsh said his long-running battle to persuade the Irish Government to sell its stake in Aer Lingus was a first step in a move that would allow IAG to grow the company.

Under terms struck with the State, "legally binding" commitments have been given on routes in and out of Ireland.

The Aer Lingus brand will also be retained and a commitment given to keep the airliner headquartered in Dublin.

But he admitted there would be some job losses in Dublin, particularly in finance and IT.

The unions are also against the sale which they claim will result in lost jobs.

Labour leader Joan Burton said a voluntary redundancy scheme will be offered to Aer Lingus staff who are no longer required when British Airways take over.

Sinn Fein Leader Gerry Adams accused the Government of sabotaging Aer Lingus and of giving away a key national strategic asset.

He said: "The Taoiseach acknowledged today that he has refused to answer Dail questions on the sell-off of Aer Lingus.

"He withheld documentation from the Dail on this issue. He has dealt with the Dail in an arrogant and unacceptable way. He did the same thing, infamously, on Irish Water and on IBRC.

"The fundamental issue at stake here is that control over a key national strategic asset is to be handed over, lock stock and barrel to a multinational conglomerate."

On the other hand the Irish Exporters Association and numerous tourist bodies welcomed the sell off which they claimed would boost business.

<http://www.irishmirror.ie/news/irish-news/politics/aer-lingus-takeover-uproar-dail-5771862>