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**AN BILLE UM FHORBAIRT TIONSCAIL 2006  
INDUSTRIAL DEVELOPMENT BILL 2006**

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**EXPLANATORY MEMORANDUM**

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*Introduction*

The purpose of this Bill is to amend the Industrial Development Act 1993 to provide legislative authority for the Minister for Enterprise, Trade and Employment to designate the transfer of staff from Shannon Development to Forfás and to provide a statutory guarantee to the staff that their pay, conditions of service and pension arrangements shall be in no way diminished by virtue of the transfer.

*Provisions of the Bill*

*Section (1)* contains a definition of the Industrial Development Act 1993.

*Section (2)* amends the Industrial Development Act 1993 by inserting a new Section 21A into the Act.

Subsection (1) of Section 21A defines the terms “Company”, “recognised trade union or staff association concerned” and “transfer date” for the purposes of the new Section.

Subsection (2) of Section 21A is an enabling provision. It provides legislative authority for the Minister to designate the transfer of staff from Shannon Development to Forfás. Forfás is the legal employer of staff of the agencies established under the Industrial Development Acts, i.e. Enterprise Ireland, IDA Ireland and Science Foundation Ireland.

Subsection (3) of Section 21A provides that staff designated for transfer by the Minister will be appointed to the staff of Forfás. Paragraph 2 (2) of the Second Schedule to the Industrial Development Act 1993 gives Forfás the power to second staff to the agencies.

Subsection (4) of Section 21A provides that Shannon Development staff who are designated for transfer to Forfás may not receive a lesser scale of pay or be subject to any less favourable conditions of service than they were entitled to in Shannon Development.

Subsection (4) of Section 21A provides that the superannuation benefits of Shannon Development staff who are designated for transfer to Forfás may not be less favourable than those to which they were entitled to in Shannon Development.

*Section 3* amends paragraph 2(2) of the Second Schedule to the Industrial Development Act 1993 to include staff designated for transfer from Shannon Development under the new Section 21A in

the categories of staff that Forfás may second to the agencies. It also corrects a technical omission of reference to “sections 39 and 40” when the Second Schedule was amended by the Industrial Development (Enterprise Ireland) Act 1998.

*Section 4* sets out the short title of the Bill and the collective citation.

*An Roinn Fiontar, Trádála agus Fostaíochta,  
Samhain, 2006.*