

Dé Máirt, 12 Bealtaine, 2009
Tuesday, 12th May, 2009

2.30 p.m.

GNÓ COMHALTAÍ PRÍOBHÁIDEACHA
PRIVATE MEMBERS' BUSINESS

Fógra i dtaobh leasú ar Thairscint : Notice of Amendment to Motion

70. “That Dáil Éireann:

deeply concerned at the severe contraction currently taking place in the Irish economy, which is expected to be the worst in any developed country since the 1930s and the severe impact that the crisis in Ireland’s banking system is having on the real economy, by restricting credit to viable businesses, which has contributed to the loss of almost 200,000 jobs in the past year;

determined to restore the flow of credit to Irish Business, to protect employment, to restore Ireland’s financial reputation abroad, and to accelerate the recovery of the Irish economy;

noting the likely scale of losses that will be incurred by the Exchequer arising from the mismanagement by the Fianna Fáil led Government of the banking crisis, and the enormous risks to the Exchequer posed by the plan to purchase bad loans from the banks at undetermined prices; and

believes that a rapid resolution of the banking crisis, at minimum expense to the Exchequer, is in Ireland’s vital national interest;

therefore calls on the Government to:

- bring the institutions covered by the Bank Guarantee Scheme into temporary public ownership, as the least expensive, and most effective means of dealing with the banking crisis;
- establish a Banking Commission made up of persons from Ireland and abroad of the highest reputation, to oversee the appointment of the boards and senior management of the banks, and to approve their business plans;
- replace the present boards and senior executives of these institutions, under the supervision of this Banking Commission as a means of beginning to restore Ireland’s reputation abroad;
- ensure that the banks operate on an independent basis, under commercial mandate while under public ownership;
- establish a Trust or other mechanism which would give shareholders the option of retaining an interest in the bank, which would be translated into shares in the bank when it is returned to private ownership, the value of which would be set in relation to

the true value of the banks at present and the cost to the State of dealing with the bad debts during the period of public ownership; and

- set out a policy and mechanism for ensuring the continued presence of mutual banks in Ireland once temporary nationalisation is ended.” — *Eamon Gilmore, Joan Burton, Emmet Stagg, Thomas P. Broughan, Joe Costello, Michael D. Higgins, Brendan Howlin, Ciarán Lynch, Kathleen Lynch, Liz McManus, Brian O'Shea, Jan O'Sullivan, Willie Penrose, Ruairí Quinn, Pat Rabbitte, Seán Sherlock, Róisín Shortall, Joanna Tuffy, Mary Upton, Jack Wall.*

Leasú:

Amendment:

1. To delete all words after “Dáil Éireann” and substitute the following:

“affirms the importance of a functioning and well regulated banking system as a necessary requirement for the protection and development of the economy;

notes that the proposed wholesale nationalisation of the banking system does not address the problems of funding or bad debts in the institutions;

supports the Government’s actions to stabilise and protect, in a structured and measured way, the financial system, while at the same time protecting the interests of savers and taxpayers; this approach includes:

- the provision, at a charge, of a State Guarantee for deposits and other covered liabilities of the banking system up to September 2010, in order to stabilise the funding position of the banks and add a further level of protection for depositors;
- the recapitalisation of Bank of Ireland and Allied Irish Banks;
- the nationalisation of Anglo Irish Bank, necessitated by particular circumstances, to provide protection and support;
- the establishment of the National Asset Management Agency to take over, at an appropriate write-down, the land and development and other eligible loans of the covered institutions with the objective of cleaning and strengthening the balance sheets of the banks and thereby further assist them in fulfilling their primary objective of extending credit to sound business and personal customers;
- the provision of a guarantee framework beyond September 2010 for future debt securities issuance by covered institutions with a maturity of up to five years; and
- the reform of the financial regulatory system which will place the Central Bank at the centre of financial supervision and financial stability oversight;

expresses its confidence in the Government’s actions, as set out above, to stabilise and revitalise the banking system as a necessary pre-condition to tackle the economic downturn and to restore the economy to sustainable growth.” — *An tAire Airgeadais.*