

*Dé Máirt, 6 Deireadh Fómhair, 2009  
Tuesday, 6th October, 2009*

2.30 p.m.

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**GNÓ COMHALTAÍ PRÍOBHÁIDEACHA  
PRIVATE MEMBERS' BUSINESS**

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

66. "That Dáil Éireann:

- expresses its serious concern at the findings of the recent report of the Comptroller and Auditor General, which disclosed a shocking absence of financial control in FÁS including the expenditure of €600,000 on a television advert that was never broadcast, €9,000 for a car for a raffle that was never held, and the expenditure of €622,000 which could not be accounted for;
- notes that serious breaches of procurement in the Corporate Affairs Division of FÁS, over many years, had been detailed in the C&AG's Report of May 2008;
- notes that further evidence of waste of taxpayers money on lavish travel arrangements, accommodation and entertainment for Government Ministers, FÁS Board Members and Executives had previously emerged and had been confirmed in the interim report of the Committee of Public Accounts, published in February 2009;
- condemns the total failure of the Tánaiste and Minister for Enterprise, Trade and Employment, Deputy Mary Coughlan and her two predecessors in that Department, Deputy Micheál Martin and Deputy Mary Harney to exercise appropriate supervision of the Agency and to prevent the wanton waste of taxpayers' money;
- believes that a far too cosy relationship was allowed to develop between the Department of Enterprise, Trade and Employment and the Agency it was supposed to be supervising;
- condemns the generous financial package agreed with the former Director General of FÁS, following his resignation in November 2008; believes that the package was not consistent with the Government's own guidelines governing the departure of Chief Executives of state bodies; and deplures, in particular, the irresponsible failure of the Tánaiste to seek legal advice on the matter;
- instructs the Tánaiste to examine all options for recovery of monies paid to the former Director General, over and above his statutory entitlement;
- calls on the Minister for Finance to bring forward revised guidelines on appropriate severance arrangements for officials who leave the public service;

- notes the resignation of the Chairman of FÁS announced on 1 October 2009 and the statement confirming the intention of other members of the Board to stand down;
- notes the importance of an effective and efficient training agency against the background of almost 450,000 on the Live Register; and
- believes that the majority of the staff at FÁS are hardworking and committed employees, who did not benefit from the regime of lavish expenses that has caused such public outrage;

calls on the Government to:

- restructure the Board of FÁS along the lines proposed in the report of the Committee of Public Accounts;
- refocus FÁS on its core work as the state training agency, capable of meeting the needs of those seeking employment, by providing relevant and high-quality training; and
- ensure stringent accountability and oversight in respect of the spending of public monies within both FÁS and the Department of Enterprise, Trade and Employment.” — *Róisín Shortall, 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, Joanna Tuffy, Mary Upton, Jack Wall.*

*Leasú:*

*Amendment:*

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

“recognises:

- the critical role of FÁS, as the State’s employment and training agency, in assisting the Government meet the current training, upskilling and employment needs of the workforce;
- the difficulties that the current economic situation poses for the unemployed and their families;
- the work ethic and commitment of the majority of FÁS employees across the country;
- the serious deficiencies in financial controls highlighted in the Comptroller and Auditor General’s Special Report No. 10 on Non-Commercial State Sponsored Bodies (‘Special Report No. 10’), published in May 2008, and the subsequent confirmation of irregularities in the report of the investigation, requested by the Tánaiste and Minister for Enterprise, Trade and Employment, by the Comptroller and Auditor General into Advertising and Promotion in FÁS (‘Special Report No. 66’);
- the need for change and reform of the governance structure at FÁS;
- the need to ensure greater accountability and transparency at FÁS; and
- the need to restore public confidence in the ability of FÁS to deliver on its training and employment mandate; and

commends the Government for:

- the speedy and appropriate response of the Tánaiste and Minister for Enterprise, Trade and Employment to the issues raised regarding the lack of financial controls in certain areas in FÁS contained in Special Report No. 10, which came to her attention in May 2008, including:
  - securing immediate clarification and assurances from FÁS that the practices

highlighted in the Special Report No. 10 with regard to FÁS had ceased and that adequate systems and controls were in place to prevent any recurrence;

- requesting the Comptroller and Auditor General in September 2008 to undertake an investigation of the Advertising and Promotion activities of FÁS Corporate Affairs since 2000 and to report on the effectiveness of management and control systems across the FÁS organisation;
- obtaining confirmation from FÁS that it was now fully compliant with Department of Finance regulations regarding foreign travel;
- instigating a review by the Department of Enterprise, Trade and Employment into the Science Challenge Programme that resulted in the cessation of the programme and its related foreign travel activity;
- securing the speedy departure of the former Director General of FÁS without further damage to the FÁS organisation and interruption to the work underway to improve financial controls and governance at the organisation, on terms in line with the arrangements available should his contract have been terminated by the Board of FÁS;
- seeking a review of the severance arrangements provided to the former Director General of FÁS in the light of a recent statement from a FÁS Board Member regarding the deliberate withholding of information from the Board of FÁS; and
- ensuring that FÁS implemented measures to improve financial control and governance across the organisation including:
  - the restructuring and tightening of controls in the Corporate Affairs function, which is at the centre of the Comptroller and Auditor General's investigation;
  - the implementation of a revised structure for its Internal Audit including resources for additional staff and external co-sourced audits;
  - the commencement of a full audit of all procurement locations by FÁS Internal Audit which is due for completion by the end of the year;
  - the cancellation of all credit cards in FÁS with the exception of one which is used to purchase books and periodicals; and
  - the reduction of the FÁS advertising budget to a minimum;
- confirming her determination to implement all appropriate changes arising from the fourth interim report and recommendations of the Committee of Public Accounts on Special Report No. 10 following its publication in February 2009, and the report (Special Report No. 66) and recommendations of the investigation requested by her and undertaken by the Comptroller and Auditor General into Advertising and Promotion in FÁS following it being submitted to her in June 2009; and
- publishing legislation to amend the Labour Services Act 1987 so as to provide for a governance structure with greater accountability to the taxpayer, and including:
  - the restructuring of the size and composition of the Board;
  - removing the automatic right to nominate individuals for appointment as Board members from bodies not directly accountable to the taxpayer;
  - making the Director General of FÁS accountable to the Oireachtas;
  - a situation where a director's fiduciary duties do not prevent the

- director in question from reporting to the Minister;
- requirements in relation to disclosure and conflicts of interest; and
- protection for members of staff who report serious wrongdoing in the organisation; and
- the work of the Tánaiste and Minister for Enterprise, Trade and Employment in:
  - refocusing and targeting FÁS policies and budgets on the particular needs of those unemployed and seeking work;
  - putting measures in place to ensure that those who become unemployed are given effective employment services and training supports to assist their return to employment, including:
    - doubling the capacity of the job search supports system provided by FÁS Employment Services and the partnership-based Local Employment Service to 147,000 places per year;
    - the quadrupling to 92,000 places in short training courses, which are occupation-specific and will give individuals specific skills so they can compete for specific job vacancies;
    - the introduction of specific initiatives to activate the unemployed including the creation of 3,800 places for redundant apprentices, increasing the total number of places on the Community Employment Scheme to 22,700 this year; and the introduction of an innovative new Work Placement Programme;
    - the introduction of new FÁS courses to train and re-skill people for the new clean-tech and green economy; and
  - instigating a comprehensive review of the efficiency and effectiveness of labour market programmes, the report on which is currently being finalised.” —*An Tánaiste agus Aire Fiontar, Trádála agus Fostaíochta.*