

(Supplementary Order Paper)

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DÁIL ÉIREANN

Dé Máirt, 19 Eanáir, 2010
Tuesday, 19th January, 2010

2.30 p.m.

GNÓ COMHALTAÍ PRÍOBHÁIDEACHA
PRIVATE MEMBERS' BUSINESS

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

80. “That Dáil Éireann:

- noting the unprecedented crisis in the Irish banking system, the contribution of that crisis to the present economic emergency and the on-going implications of that crisis for employment and output;
- noting the emergency measures that have already been taken to stabilise the banking system, including the blanket guarantee, the nationalisation of Anglo-Irish Bank and the re-capitalisation from the public purse of other banks;
- further noting the losses incurred by bank shareholders, taxpayers and the general public as a result of the banking crisis;
- believing it is necessary to examine in detail the nature and causes of the banking crisis, including the manner in which relevant laws, regulations, administrative systems, procedures and practices were employed and applied, identifying in particular:
 - any defects in planning, information-gathering and information-analysis on the part of public authorities;
 - any other defects in systems of regulation and oversight on the part of public authorities;
 - any systematic default on the part of regulated persons or bodies in their duty to comply with relevant regulations; and
 - any defects in relevant laws or regulations;
- believing further that it is necessary for this and other purposes that there be conferred by statute on each House of the Oireachtas and on both of them acting jointly, through committees, a power to appoint inquiries into and to commission reports upon matters relevant to the exercise of the legislative power of the State including defects in social, economic or administrative systems and systems of governance within the State, for the purpose of proposing legislation to remedy any defects so identified and to make recommendations for the better regulation and governance of the State; and
- resolves to take all necessary steps for the establishment of an inquiry by a committee

P.T.O.

of Dáil Éireann into the banking crisis, including the consideration and passing as a matter of urgency of legislation along the lines of the Committees of the Houses of the Oireachtas (Powers of Inquiry) Bill 2010.” — *Joan Burton, Eamon Gilmore, 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 the words after “Dáil Éireann” and substitute the following:

- “— commends the ongoing programme of actions being taken by the Government to restore banking stability and restructure the financial sector; including the recapitalisation of the two main banks which will facilitate increased access to funding for SMEs and for first-time home buyers as well as offering protections for existing homeowners in arrears;
- calls for the transfer of assets to the National Asset Management Agency (NAMA) to be expedited in order to further enhance the stability and financial soundness of the institutions concerned;
- notes the Government decision to introduce important reforms to financial regulation in Ireland which will secure confidence in the banking system through the introduction of new standards of banking regulation and corporate governance, will restore Ireland’s international reputation and will reposition the country’s regulatory system;
- commends the Government’s support for the comprehensive programme of reforms to financial regulation that are being put in place at the EU level;
- notes that essential work remains to be completed in order to bring further stability to the banking sector; including the critical ‘transfer of assets’ to NAMA, agreement on the bank’s restructuring plans and their future capital requirements and expected early progress on the consolidation of the building society sector;
- notes that significant resources are being devoted to these efforts and the officials involved continue to be fully engaged in achieving the objectives of banking stability and restructuring of the financial sector;
- notes that any inquiries that are established must also have regard to the ongoing criminal and regulatory investigations into wrongdoings at certain financial institutions;
- commends the decision of the Government:
 - to request the Governor of the Central Bank to report to him on the performance of the respective functions of the Central Bank and Financial Regulator in the period since the establishment of the Financial Regulator up to September 2008 having regard to the statutory powers, roles and responsibilities of the Central Bank and Financial Regulator;
 - to commission an independent review from a recognised expert or experts of high standing and reputation to conduct a preliminary investigation into the background to and causes of the recent crisis in Ireland’s banking system up to September 2008 to assess what lessons can be learned and to inform the future management and regulation of the sector, both in relation to individual institutions and in relation to the management of risks and stability issues within the regulatory and governmental systems;
 - that these reports will consider also the international, social and macro-

economic environment which provided the context for the recent crisis in the banking sector;

- that these reports shall have regard as appropriate to the de Larosière and Turner Reports;
- that both reports are to be initiated as soon as possible and completed urgently and no later than 31 May 2010;
- that following completion of these reports, an independent, statutory Commission of Investigation is to be established by 30 June 2010, chaired by a recognised expert of high standing and reputation, to identify, examine and report on the causes of the systemic failures such as corporate strategy, governance and risk management in the Irish banking sector which culminated in the need for the State guarantee, the recapitalisation programme, the nationalisation and rescue recapitalisation of Anglo-Irish Bank and the establishment of NAMA in order to preserve financial stability;
- that the terms of reference for the Commission of Investigation will be informed by the conclusions of the reports of the Governor of the Central Bank and the independent review; and
- that the report of the Commission of Investigation would be completed within six months;

— notes that:

- an appropriate Oireachtas Committee will meet both the Governor and the independent expert(s) at the outset of their work to be briefed on the Oireachtas' priorities for investigation;
- the two preliminary reports, when completed, would be laid before the Houses of the Oireachtas and the appropriate Oireachtas Committee will be invited to consider the findings of the reports;
- the terms of reference and draft Government Order to establish the statutory Commission of Investigation will be laid before the Oireachtas; and
- the report of the Commission of Investigation will, when completed, be laid before the Oireachtas for further consideration and action.” — *An tAire Airgeadais*.