

**An Coiste um Chuntais Phoiblí**

Teach Laighean  
Baile Átha Cliath 2

Tel: (01) 618 3074  
Ríomhphost: [pac@oireachtas.ie](mailto:pac@oireachtas.ie)



**Committee of Public Accounts**

Leinster House  
Dublin 2

Tel: (01) 618 3074  
Email: [pac@oireachtas.ie](mailto:pac@oireachtas.ie)

4<sup>th</sup> July, 2012

Brendan Howlin T.D.  
Minister for Public Expenditure and Reform  
Government Buildings  
Upper Merrion Street  
Dublin 2.

Dear Minister

Thank you for your letter of 28<sup>th</sup> June which I read with considerable interest.

I want to immediately assure you that the Committee is preparing for this Inquiry with great care. We fully understand the implications of the *Abbeylara judgement* and we have obtained legal opinion from Senior Counsel which deals with *Abbeylara* and other issues such as cabinet confidentiality that of course impact on the way the Committee can conduct the Inquiry.

The Committee has done a huge amount of work preparing the ground for an Inquiry and it will continue to seek guidance and assistance as it moves forward. In this regard your comments and cautions are most welcome and very much reflect what is contained in the Committee Report which will be published tomorrow.

I cannot, however, agree with your contention that the Inquiry could be conducted by any other Committee and I see no purpose in creating a new one to do what is essentially the work of PAC. Apart from the fact that we are well advanced in our preparations, we have experience in conducting inquiries of this nature. We have the reputation for doing them that no other committee can match. Furthermore, there is no demand for it. Both media and public have expressed confidence in the PAC's ability to deal with this matter.

I would be greatly concerned that this confidence would be lost and the suggestion that another committee take over this issue is very likely to be met with general incredulity. Rightly or wrongly, it would be seen as an attempt to water-down the inquiry, which I know is something you do not want. I would suggest that the public are angry enough about the banks without adding more fuel to the flames.

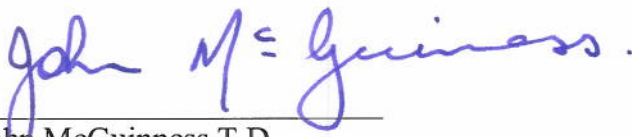
I am also concerned that any attempt to move the Inquiry from PAC will be taken as a reflection on our ability to do the job properly and unfairly damage a reputation that has been built up over many years. That would be both unfortunate and unnecessary. PAC enjoys the trust and respect of the public and is perfectly capable of conducting this inquiry speedily and well, with due regard for all legal provisions.

I can assure you Minister that you need have no worries about our ability to get the job done. We will get answers and we will take all necessary precautions and we will not get bogged down or side-tracked. We are aware of the potential difficulties and pitfalls, but we are confident that we will get to the heart of the matter which is what you, the general public and media is demanding.

I will write to you again tomorrow when I will enclose a copy of the Committee's Report which contains the preliminary analysis as well as a framework for conducting a banking inquiry. That Report is scheduled to be published at 4pm and I will ask the Clerk to the Committee to furnish your Department with copies of the report in advance of the publication so that you can prepare any comments you may wish to publish.

I look forward to receiving your reply to the issues I raise in this letter.

Yours sincerely,

A handwritten signature in blue ink that reads "John McGuinness". The signature is fluid and cursive, with a horizontal line drawn underneath it.

John McGuinness T.D.  
Chairman