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8th February 2012.

Office of the
General Secretary
Joe O'Flynn

Mr. John McGuinness TD
Chairman
Committee of Public Accounts
Leinster House
DUBLIN 2.

Dear Deputy McGuinness,

I am writing to you in your capacity as Chairman of the Public Accounts Committee.

From the outset let me say that I have the utmost respect for the members of the Oireachtas and the very onerous job they perform as public representatives, particularly in this very difficult economic climate. This includes the work of the various Committees and especially the Public Accounts Committee and your role in ensuring there is full accountability in respect of the use of public monies.

In your capacity as Chairman, we acknowledge that you must actively pursue full accountability and transparency especially where there is any doubt as to the propriety of the expenditure of taxpayers money.

We also acknowledge that as Chairman of the Committee you would have a particular responsibility of ensuring that fair procedures would apply to all parties who engage with the Committee regardless of them being public or private bodies.

In this regard I was somewhat surprised at your reported comments in the Sunday Independent dated 5th February 2012 in which you are quoted of accusing SIPTU of "playing games", trying to "muddy the waters", using the PAC as a "battleground to point the finger at the HSE" and among other comments attributed to you "they will not get away with it." These reported comments have encouraged a public perception that SIPTU has

misappropriated public money and that we have not cooperated with enquiries to date on identifying how public money was accounted for.

Nothing could be further from the truth! In fact, most of the information in the public domain regarding the expenditure from the "SIPTU Health & Local Authority Levy Fund" result from the SIPTU Trustees Report dated 25th March 2011, and published widely, including copies being forwarded to the PAC, the HSE, the Department of Health & Children, Department of Finance etc.

At the PAC meeting on 15th December this report was the subject of much debate, despite the fact that it was not formally on the agenda for the meeting.

As you are aware, we sought the opportunity to attend the PAC to give assistance and correct inaccuracies made to the Committee at your meeting by way of an email on the afternoon of the 15th December 2011. Mr. Ted McEnery, Clerk to the Committee communicated with us on 13th January 2012 that our request had been acceded to and advised that the hearing on this matter would be resumed on 1st March 2012. Mr. McEnery also sought that we would give certain information to the HSE in advance of the resumed hearing. SIPTU responded on 26th January 2012 advising that as there was multi agency funding and a conflict of interest involving the HSE on this matter that instead, we were preparing detailed accounts which would be forwarded to the Comptroller and Auditor General. We also indicated that SIPTU would provide full access to the Comptroller and Auditor General in respect of the Bank records of the Levy Fund Account.

Notwithstanding this, it is reported that you issued a public statement on 3rd February 2012 giving the impression that you as Chairman of the Committee had proposed this and other utterances to the effect that "the C & AG should come back to the Committee if he is frustrated at any stage in his attempts to get full access to full information". I would have thought that it was quite obvious from my letter dated 26th January 2012 to Mr. McEnery that SIPTU intended to cooperate fully with the Comptroller and Auditor General and provide every assistance, yet your statement creates the impression that we were being forced to do so.

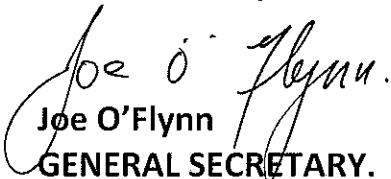
We have taken serious issue in respect of the matter of the two payments, each of €190,000 which, it was claimed, by the HSE, and I quote, "only recently – in the past week or so – we identified that two sums had gone into the SIPTU

Account from 2001 and 2002 from the office for Health Management". We have made it quite clear that we did not seek or receive these monies. This has led to accusations that these monies "were gone missing" and "were unaccounted for". SIPTU regards this as a very serious matter which needs to be clarified. Despite numerous requests to the HSE who made this statement, we have not received any evidence to support this accusation, i.e. copies of cheques, name of Bank Account, etc. Because of the very serious implications involved, SIPTU referred this matter to the Garda Fraud Squad in an effort to clarify if the said payments were ever made and, if so, with whom or to what Account did the €380,000 end up. I would have thought that you would have seen this as a positive action rather than implying that we were "pointing the finger" or "muddying the water". SIPTU is entitled to the same "due process" as any other Body in seeking to clear up this matter and we reserve the right to take whatever action is necessary to protect the good name of the Union in this respect.

Finally, I would be obliged if you would clarify what you meant by your reported statement that "they will not get away with it" as this is causing widespread suggestion that SIPTU is responsible for not accounting for almost €5m of taxpayers money and other suggestions in the public domain to the effect that "money is missing", etc.

I suggest that in your capacity as Chairman of this highly respected and important Committee, with your consequential responsibility for fair procedure, that you might reflect on the position which you have been reported to have adopted to date and which could reasonably be interpreted by any fair-minded person as being prejudicial, especially when the party to which you were reported to have referred, i.e., SIPTU, has not yet been given an opportunity to assist your Committee on the matter.

Yours sincerely


Joe O'Flynn
GENERAL SECRETARY.