

**Speech by Mr Paschal Donohoe TD,
Minister for Finance and Minister for Public Expenditure and Reform,**

on the occasion of the launch of Benefacts' second annual nonprofit sector analysis report: Understanding Ireland's third sector.

Well good morning ladies and gentlemen and it's great to be here with you all this morning. And sometimes with the two jobs I do with Minister for Finance and Minister for Public expenditure and Reform, I spend quite a bit of time sounding like a character from Game of Thrones, and I keep on telling people that winter is coming. And as I stand in front of me here today, it looks like summer finally might have arrived.

So it's lovely to be here with you this morning, and it's particularly great to be here in the Royal Irish Academy. A great calmness always descends on me when I'm surrounded by books, so I'm feeling particular calm and serene to be here today located in the Royal Irish Academy in such a magnificent library talking about a report and an organisation and some outputs that I believe are so important.

And Patricia is correct actually, just under 2 years ago the very first event I ever attended as Minister for Public Expenditure and Reform was the launch of Benefacts, over on the other side of Merrion Square in the Irish Architectural Archive. And there I had the opportunity to hear about what Benefacts were doing, about the agenda they had and what they were looking to make happen. And two years later it's great to be here with you this morning and see the progress that has been made in that agenda.

There about a couple of concepts that I want to pick up on, following Patricia's remarks a moment ago. Why is there a need to measure grains of sand? And of course the reason why there is such a need to do that is that in all that sand, there is every prospect of many pearls emerging in a few years time. And it really matters, because I think and I know there is a growing imperative to be able to demonstrate to citizens that most of the investment they make into the structures of a society or a democracy will deliver for them, and can make a difference to most people most of the time. And if we are not willing to make this argument things can happen and conditions can develop that might make our ability to maintain consensus and maintain equilibrium about really important things more fragile and more difficult.

And this is why the work of organisations like Benefacts are so important. Because if we want to maintain that consensus and want to show that most of the time we can make progress in things that matter to citizens. We have to do that in a transparent environment and the truth is, over the last number of years great strides have been made in trying to deliver and create a more transparent environment. And perhaps at times we lose sight of the progress that has been made in doing this, because the outcomes of delivering an atmosphere in an environment with greater transparency can of itself pose questions and pose difficulties within society.

But whether it be protected disclosures legislation, whether it be the work of organisations like SIPO, whether it be the various enhanced regulators we have in place or whether it be the work of organisations like Benefacts, we can see now a greater shared agenda from making information more accessible and more transparent to our citizens, about the kind of investment and the kind of work that's being done on their behalf.

And Patricia in her own opening words there touched on the concept of Pareto outcomes and of course that's a consequence in the legacy of William Pareto the economist who talked about the idea of Pareto equilibriums and what that is about is the idea of trying to attain an outcome, that if you change it, it won't make any single individual any worse off. Now I know from public life just how difficult it is to do that, if not actually impossible or indeed as many of the outcomes were that came from that period of economics.

But it is actually something that is very relevant to what we are discussing here today, because the truth is, in public life if you are trying to change things and if you are trying to make progress, it's rarely possible to do that in such a way without delivering outcomes that can be challenging for other citizens. And as we look to do that therefore, it becomes even more important to be able to demonstrate to all citizens, where their money goes, how it is been spent and how governance is delivered and how outcomes are delivered in a way that is transparent. And that is why what Benefacts has done I believe to be genuinely important over the last number of years.

I couldn't stand up today as minister with my two different departments and not touch on a number of figures that I believe are really important, some of which have been highlighted by Patricia, but I do want to emphasise them here today.

The first one I want to emphasise is the progress that has been made and the greater use of benefacts.ie and to see us get to a point now where we now have 50 thousand users on the website, which is an increase of a 1/3 verses where we were a short while ago is really positive, it's a rate of increase that I hope is going to continue and accelerate across the coming period, as more and more people become available of the way in which the organisation, the information is structured and how accessible that it is. And to see now that we have now had an increase of 50% in a number of downloads from this website is a tangible sign to me, of the growing centrality of benefacts.ie in helping our citizens understand how investment is made on their behalf.

Secondly as Patricia has touched on there a moment ago, we are getting greater focus on the scale of investment from government into the third sector, that now stands at 5.7 billion euro, a gigantic needed investment from government into this sector. But crucially we are seeing that more and more of this is as part of service level agreements and we are seeing this feeding into organisations whose wage structures are different to what expectations could be and are different to the rest of the economy. And as somebody who spends so much of his time dealing with matters in relation to pay and public pay, I think it's important to understand that the information in relation to wage structures is now available through benefacts.ie and the allocation of those wages is different to the expectations perhaps of some. And it's now something that we can understand with greater clarity.

So for all of those reasons, I want to acknowledge the work that all in Benefacts have done over the last 2 years, in bringing greater clarity to how the money of the tax payer is used. I want to thank all who have supported them in their work. As Patricia said a few moments ago, it is a relationship that the Department of Public Expenditure and Reform have agreed to sustain now across the coming years, we think it's an important agreement to have in place.

Of course we always have to challenge ourselves to look at how we can invest money, are we investing it in the best possible way, and we do have an agreement in place with Benefacts to continue with this work. It's really important that all of us who feel strongly about delivering better outcomes for our citizens showing that we can make progress in society and demonstrating

the value of transparency to show how this progress has been made, embrace this agenda. And I think the fact that so many of you are here today shows your enthusiasm and willingness to do so.

So thank you all for your work in supporting this initiative, thanks again to Benefacts, to Arthur Cox, to the Ireland Funds, to the Tomar Trust for all the support they offer and I hope you all have a very productive and enjoyable morning, thank you.

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