



HOUSE OF KEYS OFFICIAL REPORT

RECORTYS OIKOIL
Y CHIARE AS FEED

PROCEEDINGS DAALTYN

HANSARD

Douglas, Tuesday, 3rd April 2012

*All published Official Reports can be found on the Tynwald website
[www.tynwald.org.im/Official Papers/Hansards/](http://www.tynwald.org.im/Official%20Papers/Hansards/)Please select a year:*

Reports, maps and other documents referred to in the course of debates may be consulted on application to the Tynwald Library or the Clerk of Tynwald's Office. Supplementary material subsequently made available following Questions for Oral Answer is published separately on the Tynwald website, [www.tynwald.org.im/Official Papers/Hansards/Hansard Appendix](http://www.tynwald.org.im/Official%20Papers/Hansards/Hansard%20Appendix)

Volume 129, No. 17

ISSN 1742-2264

*Published by the Office of the Clerk of Tynwald, Legislative Buildings,
Finch Road, Douglas, Isle of Man, IM1 3PW. © Court of Tynwald, 2012*

Present:

The Speaker (Hon. S C Rodan) (Garff);
The Chief Minister (Hon. A R Bell) (Ramsey);
Hon. D M Anderson (Glenfaba); Mr L I Singer (Ramsey);
Hon. W E Teare (Ayre); Mr A L Cannan (Michael); Hon. T M Crookall (Peel);
Hon. P Karran, Mr Z Hall and Mr D J Quirk (Onchan);
Mr R H Quayle (Middle); Mr J R Houghton and Mr R W Henderson (Douglas North);
Hon. D C Cretney and Mrs K J Beecroft (Douglas South);
Hon. C R Robertshaw and Mrs B J Cannell (Douglas East);
Hon. J P Shimmin and Mr C G Corkish MBE (Douglas West);
Mr R A Ronan (Castletown); Mr G D Cregeen (Malew and Santon);
Hon. J P Watterson, Mr L D Skelly and Hon. P A Gawne (Rushen);
with Mr R I S Phillips, Secretary of the House.

Business Transacted

Page

Questions for Oral Answer

1.1. Government policy debate and annual reports – Planned dates for introduction	495
1.2. Government contractors – Withholding of retention moneys	497
1.3. Maintenance agreements – Change in tax method	498
1.4. Health Service locums – Numbers and costs	500
1.5. Health service cutbacks – Anticipated changes to prescriptions	502
1.6. Road maintenance – Question withdrawn	505
1.7. Taxi trade – Statement	505
1.8. Pre-school privatisation – Closure of integrated facilities	506
1.9. Pre-school education – Parental contributions	510

Questions for Written Answer

2.1. Government suppliers – Payment of invoices	514
2.2. Oak Road, Peel – Internal Audit investigation	514
2.3. Douglas to Peel railway – Infringement onto line	515
2.4. Pre-school education – Manx Labour Party policy	515
2.5. Planning enforcement investigations – Independence and objectivity	516

DEC policy on pre-school education – Urgent Motion to be taken as next business – Motion lost	517
--	-----

Orders of the Day

3.1. Bill for First Reading – Town and Country Planning (Amendment) Bill	518
4.1. Companies (Beneficial Ownership) Bill 2012 – Second Reading approved	518
5.1. Legal Aid (Amendment) Bill 2012 – Third Reading approved	519
5.2. Partnership (Amendment) Bill 2012 – Third Reading approved	521
5.3. Casino (Amendment) Bill 2012 – Third Reading approved	521

The House adjourned at 11.35 a.m.

House of Keys

The House met at 10.00 a.m.

[MR SPEAKER *in the Chair*]

5 **The Speaker:** Moghrey mie, good morning, Hon. Members.

Members: Good morning, Mr Speaker.

The Speaker: The Chaplain will lead us in prayer.

PRAYERS

The Chaplain of the House of Keys

Questions for Oral Answer

CHIEF MINISTER

Government policy debate and annual reports Planned dates for introduction

10 1.1. The Hon. Member for Douglas East (Mrs Cannell) to ask the Chief Minister:

When he will initiate a Government policy debate, and when we can expect to see the Annual Reports from all Government Departments?

15 **The Speaker:** Hon. Members, we turn to Item 1 on the Order Paper, Questions for Oral Answer. I call on the Hon. Member for Douglas East, Mrs Cannell.

Mrs Cannell: Thank you, Mr Speaker.
I beg leave to ask the Question standing in my name.

20 **The Speaker:** To reply, I call on the Chief Minister, Mr Bell.

25 **The Chief Minister (Mr Bell):** Mr Speaker, it has been some years since a general policy debate took place. The previous administration favoured a consolidated annual report, which was considered in another place, usually at the October sitting. I no longer consider that approach as appropriate, given the challenges we are facing. I want to move Government towards a system which encourages Departments to plan and report on performance against their statutory and core functions, but also encourages flexibility so that they can seize every opportunity to contribute to economic growth and rebalance the budget, while ensuring we protect the vulnerable in our society.

30 I shall be promoting a system clearly linked to a national performance framework, which my officers are currently working on, and I intend to consult on the very issues, which the Hon. Member has now raised. I also support a system which clearly communicates the economic and social policy imperatives we are facing to the public. It will also clarify this administration's policies and work underway to ensure we are on track to meet the challenges.

35 It is time, Mr Speaker, to move on from policy debate and clearly show what we plan to deliver and whether or not we are succeeding. I intend to consult this summer on the performance

40 framework and Council's policies, and this will be a fairly radical change in the way Government approaches delivery and it will take a considerable effort to communicate and ensure it adds value to the annual processes. The feedback received following consultation may alter my provisional timescales, but I would hope to have the initial elements of the framework in place by the end of September, which would include a published strategic view of the Council of Ministers' priorities and visions.

45 **The Speaker:** Mrs Cannell, supplementary.

Mrs Cannell: Thank you, Mr Speaker.

50 Will the Hon. Chief Minister accept that I am very disappointed with what he has said this morning, because how can the community know what the policy is of this Government, unless we have an actual policy debate? How can Members of this House have input into the formulation of policies and priorities, save for those where they are working in isolation in one or possibly even two Departments? How can this be good for the community, when the community does not know in which direction this Government is going?

55 **The Speaker:** Reply, sir.

The Chief Minister: Mr Speaker, the system we have in place will be far more informative to the public, once it is established. It will give clear indications of whether Departments are succeeding or failing in delivering their agreed strategies.

60 I have already stated, and indeed have got underway, Mr Speaker, proposals for a series of awaydays for all Members of Tynwald to discuss broader strategic policy development. That will give Members in the first instance far greater input into the broad policy development right across Government, and the new process, once it is complete, will give the public a far clearer idea of whether Government or Departments are succeeding in delivering on that.

65 **The Speaker:** Mrs Cannell.

Mrs Cannell: Thank you, Mr Speaker.

70 Whilst I welcome the Chief Minister saying that he is now going to instigate the awaydays again – which is something I suggested to him some weeks ago and is very beneficial – would he agree with me that they are all very well for focusing on a particular problem that Government faces at the present time, but in fact, they do happen behind closed doors? As he is telling the world in the Isle of Man that we are an open and transparent Government, how does this gel, then, with having awaydays behind closed doors to formulate policies and strategies?

75 When can the assembled parliament expect to have a debate on the agreed strategies put together and considered by the Council of Ministers; or is there not going to be an opportunity even for that?

The Chief Minister: If the Hon. Member turns up to the awaydays, Mr Speaker –

80 **Mrs Cannell:** Shame on you!

The Chief Minister: – she will be able to have the same input into the policies that other Members will, so she will be able to make a positive contribution to all Departments, rather than just Forestry, which is what she is doing at the moment.

85 **Mrs Cannell:** No, I'm doing more than that – a lot more. (*Interjection*)

The Chief Minister: Mr Speaker, I believe the process that we have had in the past is time served. It is time to move on to a new way of structuring policy development in Government and being more accountable to the public by identifying... not with reams and reams of paperwork which we have had in the past, which very few people ever read. We need to be better targeted, more focused and give clear indication which areas of a particular Department are being delivered and where there are indeed problems. We need this to be able to focus our reserves and our attention on the problem areas of Government.

95 I said in my Answer, Mr Speaker that it is my hope that by the autumn, we will have all this process in play, and then further debate can take place at that time.

TREASURY

**Government contractors
Withholding of retention moneys**

1.2. The Hon. Member for Douglas North (Mr Houghton) to ask the Minister for the Treasury:

100 *If he is aware of retention moneys owed to Manx subcontractors being unfairly withheld by principal Government contractors and, if so, what action his Department is taking to have any overdue retention fees released?*

The Speaker: Question 2, Hon. Member for Douglas North, Mr Houghton.

105 **Mr Houghton:** Thank you, Mr Speaker.
I beg leave to ask the Question standing in my name, sir.

The Speaker: I call on the Minister for the Treasury, Hon. Member for Ayre.

110 **The Minister for the Treasury (Mr Teare):** Thank you, Mr Speaker.
I am not aware of any retention moneys owed to Manx subcontractors being unfairly withheld by principal Government contractors. Difficulties do arise from time to time between main contractors and their subcontractors, for which remedies are available under the contract between the two parties. It is Treasury policy *not* to intervene in such disputes, as it is not a direct party to the contract.

115 **The Speaker:** Mr Houghton.

Mr Houghton: Thank you, Mr Speaker.
120 The Minister has just informed the House that he is not aware of any of these subcontractors having moneys unfairly withheld. The Minister told me that he was going to see a contractor last week about this matter. Can he clarify, please?

The Speaker: Minister.

125 **The Minister:** I did go and see a contractor last night –

Mr Houghton: Well aware.

130 **The Minister:** – but this really falls outside the remit of this Question.
What I would say is that if the Hon. Member wants me to disclose more details of this underlying contract, I will, but with respect, for my view, it does not put the person who is behind the complaint in a favourable light.

135 **The Speaker:** Mr Houghton.

Mr Houghton: Mr Speaker, does the Minister take a dim view of those principal contractors engaged by Government who fail to settle retentions after workmanship has been properly signed off?

140 **The Speaker:** Minister.

The Minister: This really goes back many years, and there is an obligation on both sides to make sure that, when funds are due, they make a claim for the money as well.
145 As I said before, in my original Answer, it is not Treasury policy to intervene, sir.

The Speaker: Mr Houghton.

Mr Houghton: Thank you, Mr Speaker.
150 I ask the Minister again: is it policy or not policy? He is a Member of the House of Keys in the Isle of Man, with his constituency in Ayre, with the responsibility of the Island. Can I repeat my

question: does he take a dim view of moneys being unfairly withheld? Whether it is Treasury policy or otherwise, does he take a dim view?

May I further ask, will his Capital Projects Unit continue to engage contractors in the future who have a history of non-settlement of moneys owed to subcontractors?

155

The Speaker: Minister.

The Minister: As I said before, this is a matter between the primary contractor and the subcontractor. It is not a matter for Government or Treasury to become involved with.

160

The Speaker: Hon. Member, Mr Quirk.

Mr Quirk: Thank you, Mr Speaker.

Could I ask the Minister for the Treasury then, could he ask his Capital Projects team, which is looking after, at the end of the day, would he not agree with me, the public interest in this money and also the public purse... Could he ask his team to just evaluate if there is any aged debt. I believe that there is, because I have had a couple of contractors on to me. It is a sensitive area, but I hope the Minister would agree with me that we want to see justice fairly given to both sides of the party, and if it is Government money, taxpayers' money, would he not ask the Capital Projects really to do that little exercise, sir?

165

170

The Speaker: Minister.

The Minister: I will consider what the Hon. Member is raising, if he comes to me with the specific issues; but I have to say that I do not feel that specific contractual issues are a matter that should be raised on the floor of this House, sir.

175

The Speaker: Mr Houghton.

Mr Houghton: Thank you, Mr Speaker.

I ask finally of the Minister, is it fair or unfair to withhold retentions to people who require that money and who have done the work to the required standard? Is it fair or unfair? Please answer: fair or unfair?

180

185

The Speaker: Minister.

The Minister: Thank you. What I would say is that, in this particular case, it has taken the individual subcontractor six years to ask for the money, sir, so they cannot actually need it.

Maintenance agreements Change in tax method

1.3. The Hon. Member for Rushen (Mr Skelly) to ask the Minister for the Treasury:

190

On what basis he feels the maintenance agreement could be amended to reflect the movement of the tax benefit from payer to payee; and if he will advise why grandfather rights were not granted to allow the system to adjust to this new tax method?

The Speaker: Question 3, Hon. Member for Rushen, Mr Skelly.

195

Mr Skelly: Gura mie eu, Vainstyr Loayreyder.
Ta mee shirrey kied yn eysht y chur ta fo my ennym.

The Speaker: I call on the Minister for the Treasury to reply.

200

The Minister for the Treasury (Mr Teare): Thank you, Mr Speaker.

Maintenance relief for tax purposes was set out in the Prescribed Deductions Order 1989. That Order said that the deduction for the payer was allowed only if the maintenance received could be assessable under the Income Tax Acts as income in the hands of the recipient. This deduction was

205 therefore envisaged to be tax neutral, with the deduction claimed on one side being matched by the transfer through the maintenance payment of the same amount of taxable income on the other. In other words, and reflecting the words of the Hon. Member's Question, in the round, there ought not to have been a tax benefit at all.

210 However, over time, maintenance orders have come to be drafted more frequently to provide that the payments are made to a child of a family for their maintenance or education. In these circumstances, the payer gets tax relief but the payments are not taxed. By abolishing the relief, Tynwald Court has restored the original intention that there should be no tax benefit as such associated with the payment of maintenance following a couple's separation, and this has introduced simplification in that maintenance will now be a matter between the couple, their advocates and the court, and will essentially no longer need to include the Income Tax Division.

215 In order to achieve the full benefits of simplification, the relief needed to be abolished completely without grandfathering provisions. Any grandfathering provisions could have led to relief being granted, in some cases, for many more years and would have only served to make the tax system more complex.

220 **The Speaker:** Mr Skelly, a supplementary.

Mr Skelly: Gura mie eu, Vainstyr Loayreyder.

225 Does the Minister not recognise, when a court order is given, it is in itself a form of means tested and the tax position is already taken into consideration?

The Speaker: Minister to reply.

230 **The Minister:** Yes, I do, but one of the difficulties is that there will be revisions made to the maintenance order from time to time which do reflect the change in the payer's circumstances and the recipient's circumstances as well. So, every time that there is a change, there would need to be a further contact with the Assessor of Income Tax department, and this in itself is a labour-consuming exercise, sir.

235 **The Speaker:** Hon. Member for Ramsey, Mr Singer.

Mr Singer: Thank you, Mr Speaker.

240 Would the Hon. Minister agree with me that, when a change is made, it should be a genuine change to improve a situation or to help people, and while it has been acknowledged that this decision was made to simplify things for Treasury – and that was said quite clearly – he agrees, I think, that the courts take the original policy into account when making maintenance agreements? Does he not agree that this change has caused destabilisation amongst families where financial planning has now been derailed, and is putting money into lawyers' pockets? Is that the point of the whole thing? Surely he should look at it again.

245 **The Speaker:** Reply, sir.

250 **The Minister:** It is certainly not putting money into lawyers' pockets. That is definitely not the intention. These agreements can be reached between individual parties. They do not have to go to court to reach an agreement between two contracting parties. This is a change which will help people. It will remove the need for people to contact the tax department at what is a very stressful time, and it does indeed help to remove complexity from the system.

The Speaker: Mr Skelly, a final supplementary.

255 **Mr Skelly:** Gura mie eu, Vainstyr Loayreyder.

Can the Minister confirm how many people are adversely affected under this new taxation and what is the real-terms saving for the Treasury?

260 **The Speaker:** Mr Teare.

The Minister: The number of people affected is in the region of 962, off the top of my head, and the saving to the Treasury is in the region of £400,000, sir.

HEALTH

**Health Service locums
Numbers and costs**

1.4. The Hon. Member for Douglas South (Mrs Beecroft) to ask the Minister for Health:

If he will state:

- 265 (a) the number of locums employed in the health services in each of the last five years broken down by area of clinical practice;
(b) the cost of the above in each of the last five years broken down by area of clinical practice;
(c) the current average cost of each locum per week; and
(d) the current number of locums who have been employed for more than one year?

270 **The Speaker:** We turn to Question 4. Hon. Member for Douglas South, Mrs Beecroft.

Mrs Beecroft: Thank you, Mr Speaker.
I ask the Question standing in my name.

275 **The Speaker:** Minister for Health to reply. Mr Anderson.

The Minister for Health (Mr Anderson): Thank you, Mr Speaker.

280 In answering this Question, I have made the assumption that the Hon. Member is referring to medical staff locum usage. For reasons that I shall explain, we are unable to report all the information she has requested. I will deal with each element of the Hon. Member's Question in turn. As there have been no locums employed in primary care in the last five years, these figures relate only to hospital activities.

285 In respect of part (a) of her Question, where she asks for the number of locums employed by the Health Service in each of the last five years, broken down by area of clinical practice, I regret that I am unable to provide this information as this information is not kept electronically and it would require a manual count of all locum staff used going back over five years. This would not be achievable within the timescale, and indeed would be a very considerable administrative task to which I am very reluctant to divert our limited resources.

290 Turning to part (b) of the Hon. Member's Question, providing details of the cost of the locum doctors in each of the last five years, broken down by area of clinical practice, I am providing the totals for each specialty, as the grade of doctors varies within each specialism. I appreciate that Hon. Members will find it very difficult to note all the 25 items of financial information I am about to give, so I am happy, Mr Speaker, if that is okay, to circulate that later on as well.

295 **The Speaker:** That is agreed, sir.

The Minister: I will deal with medicine to start with. The amount spent in March 2008 was £82,299; in March 2009, £590,724; in March 2010, £600,796; up to March 2011, £849,733; and as at 27th March 2012, £1,392,000.

300 Pathology: March 2008, £29,920; March 2009, £40,223; March 2010, £83,519; March 2011, £111,808; and up until 27th March this year, £70,619.

In radiology, in March 2008, £260,651; up to March 2009, £290,733; March 2010, £124,619; March 2011, £109,664; and up until 27th March of this year, £283,515.

305 In surgery, up to March 2008, £297,367; March 2009, £768,233; March 2010, £1,667,000; March 2011, £2,227,724; and up until 27th March 2012, £1,506,280.

In the women's and children's area, up to March 2008, £187,329; March 2009, £822,301; March 2010, £762,798; March 2011, £397,559; and up until 27th March of this year, £604,748.

310 That gives running totals for March 2008, £857,498; March 2009, £2,512,000; and March 2010, £3,238,858; March 2011, £3,696,490; and up until 27th of March of this year, £3,857,652.

A lot of figures there, Mr Speaker, and I am very happy to circulate that. [See Table 4A]

315 **The Speaker:** Just as a matter of information, Hon. Member, Standing Orders provide for the circulation of supplementary written information 24 hours in advance if that would assist in the presentation of an Oral Answer. Something to bear in mind.

The Minister: I will bear that in mind, Mr Speaker, in future.

Mr Watterson: Standing Order 3.6(2)(b), David.

The Minister: Thank you.

320 I am aware that in these figures there is one area which requires particular explanation, and that
is for medicine, where there has been a massive leap in costs from 2008-09 and further step rises
in successive years. This is of a particular problem we have been experiencing in recruiting
specialist grade doctors in obtaining sufficient F1 and F2 doctors in training to cover our
requirements. Fortunately – or unfortunately – this UK-wide problem is now showing some slight
325 signs of easing, although there is still a long way to go.

Turning to part (c) of the Question, I again cannot provide figures for the current average cost
of each locum per week because there are so many different pay rates and so many different
grades used to provide Health Services on a weekly basis that any figures would be meaningless
and of negligible practical use.

330 In answer to part (d) of the Question, the current number of locums who have been employed
for more than one year is one, who has been in post for one year and it has not proved possible to
recruit to that speciality. It is extremely hard to recruit to this particular specialty at the appropriate
grade because there is a UK national problem in recruitment.

335 **The Speaker:** Mrs Beecroft, a supplementary.

Mrs Beecroft: Thank you, Mr Speaker.

340 Could the Minister... I do thank you for all the figures. I look forward to the circulation of the
details. I have jotted some down. Could the Minister explain why he can provide all these figures
for part (b), and yet he cannot provide them for part (a) or part (c)? I would have thought he would
have had to have the Answers to parts (a) and (c)... Well, (c) maybe not, but that is just a
mathematical calculation, whether it is meaningless or not, but part (a), I would have thought he
would have had to have those figures to actually be able to provide part (b).

345 **The Speaker:** Minister to reply.

The Minister: As far as I am made aware, Mr Speaker, the totals of pay are available on our
system but not broken down into individuals and averages.

350 **The Speaker:** Mrs Beecroft.

Mrs Beecroft: Thank you, Mr Speaker.

355 Is the Minister satisfied, with the rising cost of locums, that this is actually the best use of
taxpayers' money in the Health Services at the Hospital? What is he actually doing to address this?

The Speaker: Minister.

360 **The Minister:** No, I am not happy that our cost for locums is rising, and rising considerably.
However, we must make sure that we have sufficient medical cover for various areas within the
Hospital and this is the only practical way of doing it. If we did not use locums, waiting lists
would expand even further.

The Speaker: Hon. Member for Malew and Santon, Mr Cregeen.

365 **Mr Cregeen:** Thank you, Mr Speaker.

Is the Minister in dialogue with some of these locums? I was contacted by one, and his position
was that if you employed him full-time, it would be cheaper than having him as a locum, and he
would probably see more people.

370 **The Speaker:** Minister.

The Minister: I am not aware of that particular case, if the Hon. Member wants to bring that to
my attention. However, I think it is fair, when we do have long-term locums, then we can
negotiate a better rate.

375 However, we are on the real medical world and the going rates for locums are quite high; but
we have to have them. We have to have cover for all our locums. I am glad to say in some areas,
some actual surgeons cover for each other and that way you have the continuance of care. The

380 trouble is if you have a locum and they have an appointment, they very often refer that person back to the locum they are covering for, saying, ‘You are better seeing him when he comes back off’, and that does not help our waiting lists.

The Speaker: Mrs Beecroft.

385 **Mrs Beecroft:** Thank you, Mr Speaker.

Could the Minister clarify the problems that the Department is having in recruiting and what he is doing to address these problems?

The Speaker: Minister.

390 **The Minister:** Unfortunately, Mr Speaker, it is not an isolated problem for the Isle of Man. It is a national problem and these F1 and F2 doctors have been in short supply in the UK. It is being turned round now and I think we can see progress in the next few years, but unfortunately there is only a small pool and we are all fishing in that same pool.

Table 4A – Number of Locums employed in the Health Service

	March 2008	March 2009	March 2010	March 2011	As at 27th March 2012
Medicine	£82,229.05	£590,724.33	£600,796.75	£849,733.26	£1,392,488.69
Pathology	£29,920.41	£40,223.53	£83,519.18	£111,808.86	£70,619.95
Radiology	£260,651.76	£290,733.24	£124,619.08	£ 109,664.48	£283,515.26
Surgery	£297,367.42	£768,233.83	£1,667,125.81	£2,227,724.45	£1,506,280.49
Women & Children	£187,329.84	£822,301.14	£762,798.00	£397,559.40	£604,748.20
TOTALS	£857,498.48	£2,512,216	£3,238,858.80	£3,696,490.40	£3,857,652.59

**Health service cutbacks
Anticipated changes to prescriptions**

1.5. The Hon. Member for Douglas East (Mrs Cannell) to ask the Minister for Health:

395 *When he expects to announce any cutbacks in health services, and whether this will include changes to prescription charges or criteria?*

The Speaker: We turn now to Question 5. Hon. Member for Douglas East, Mrs Cannell.

400 **Mrs Cannell:** Thank you, Mr Speaker.
I beg leave to ask the Question standing in my name.

The Speaker: Again, Minister for Health, Mr Anderson, to reply, please.

The Minister for Health (Mr Anderson): Thank you, Mr Speaker.

405 I do not currently expect to announce any cutbacks in Health Services and it is disappointing that the Hon. Member appears to be running the risk of creating public concern through the tone of this Question.

In keeping with Government broadly, the Department has been seeking to reduce its costs in line with Government objectives without reducing the front-line services on which we rely. 410 Indeed, Mr Speaker, with the support of my hon. colleague, the Minister for the Treasury, and Tynwald, the Department is able to continue to update and improve services, with one example the imminent introduction of chlamydia screening; the creation of a renal unit at Ramsey, plans for which are well advanced; the new health and community centre which opened earlier this year at Jurby; and, in the slightly longer term, planned improvements to neonatal care facilities at Noble's.

415 Turning now to prescription charges, it is no secret that the Department has been examining this issue. Indeed, I specifically raised it during my speech in another place in support of the Budget on 21st February this year. I stated, and I quote:

420 'One of the measures I will be presenting to CoMin for consideration shortly is the issue of eligibility criteria for a number of services, such as prescriptions, eye tests and dental exemption charges.'

Mr Speaker, the review of the eligibility criteria for prescription charges and dental charges is currently at an advanced stage and I hope to be able to place it before the Council of Ministers in the near future. I cannot, of course, prejudice Council's consideration of that review, and it would 425 be inappropriate for me to provide any further details at this stage.

The Speaker: Mrs Cannell.

Mrs Cannell: Thank you, Mr Speaker.

430 Will the Minister accept that, rather than be disappointed at the Question raised at the risk of raising public concern, he should welcome the Question because it has given him the opportunity this morning to clarify the situation in terms of making no cutbacks to Health Services, but rather updating and improving services, which I feel will be welcome news.

435 But moving on to prescription charges, I thank him for indicating that they are quite far along the line in considering eligibility – that is, the criteria laid down for those who receive *free* medication – and he has also indicated he is looking at the dental service and the eye test. Can he indicate whether or not this is going to go out to public consultation? Is there any input from the public? Will there be any input from Hon. Members about possibly changing or dispensing with these services altogether?

440

The Speaker: Minister.

The Minister: Mr Speaker, the Department will be bringing papers to the Council of Ministers for determination and it will be for the Council of Ministers to determine whether that should go 445 any further than that.

The Speaker: Mrs Cannell.

Mrs Cannell: Thank you, Mr Speaker.

450 So it is going to be the Council of Ministers that rules the Island, then. Does the Minister not accept that we are an elected House of 24 Members that sit in another place as a parliamentary assembly where policies and finances should be debated? Does he not think it is worthy of advising another place when he is going to decide on the eligibility, the free dental tests and also eye tests; and if not, why not?

455

The Speaker: Minister.

The Minister: Mr Speaker, I am sure the Council of Ministers will bear the Member's 460 comments in mind.

The Speaker: Hon. Member for Onchan, Mr Karran.

Mr Karran: Vainstyr Loayreyder, would the Hon. Minister not agree, it would be interesting to see what the Hon. Member and other Hon. Members are going to come up with in order to

465 balance the Budget with the fact that we have lost a third of our income? It will be interesting to hear what her observations are.

The Speaker: It may be interesting, Hon. Member, but it is not within the bounds of the Question, however.
470 Minister.

The Minister: I am sure she has a cunning plan, Mr Speaker. (*Laughter*)

The Speaker: Mrs Beecroft.
475

Mrs Beecroft: Thank you, Mr Speaker.
Would the Minister, when he is looking at the prescription charges and the eligibility, have a look at where people are entitled to free prescriptions long-term because of an ongoing condition? It has been raised with me by a constituent. He does not understand why he gets everything else for free and he actually feels quite uncomfortable with it, particularly given the circumstances that we are in now.
480

The Speaker: Minister.

The Minister: Yes, Mr Speaker, the Hon. Member makes a very good point and this is the basis of a lot of the debate, which has taken part within the Department. I am sure she will be interested to see what comes out of the paper when it comes before the Council of Ministers.
485

The Speaker: Mrs Cannell.
490

Mrs Cannell: Thank you, Mr Speaker.
Will the Minister be minded of what has happened in the United Kingdom recently where they have just increased prescription charges for their people and the concerns that have been raised by the doctors and the various organisations over there, in terms of because of the costs going up, people will probably not wish to take medication that they need and a lot of people who are eligible to free prescriptions do in fact need that medication in order to stay alive? Will he be mindful of that?
495

Will he accept that if everything, every decision is going to be taken by the Council of Ministers and not be subject to testing and probing by this place and another, that is not good, that is not good for the future prospects of the Isle of Man? How can we come up with any kind of cunning plan if we are not going to have any input into policies and priorities of this Government?
500

The Speaker: Minister.

The Minister: Yes, Mr Speaker, the Hon. Member does not mention any of the cost savings that she is going to be putting forward as a result of that debate. However, in replying to her question, I am aware of the different areas within the UK that have different prescription charges. It is not blanket across the UK. England, Scotland and Wales are all different and we will be mindful of that when we are bringing forward our paper on prescription charges.
505

The Speaker: Mr Singer.
510

Mr Singer: Maybe I could ask the Minister, as has been mentioned, some people, it is said, cannot afford prescription charges – those people who are on a lot of medicines. Would the Minister ask his Department to make greater publicity for the prepayment certificate so that people who are on a lot of medication can pay one fee and they can then receive all the medicines for that year free of charge? My experience, I can tell him, is that a lot of people are still not aware that there is a prepayment facility available.
515

The Speaker: Minister to reply.
520

The Minister: Yes, I am aware that the profile of this does need raising. I am sure, when we make changes, we will have the opportunity to further raise the profile of these options that people will have, and I am sure pharmacists will do that as well, Mr Speaker.
525

The Speaker: Final supplementary, Mrs Cannell.

Mrs Cannell: Thank you, Mr Speaker.

530 Has the Minister considered in fact abandoning prescription charges altogether, like Scotland, Wales and Northern Ireland have? If he has not, why not?

Further can he advise the House when the public out there can expect to hear of what is going to be approved or otherwise by the Council of Ministers? In other words, when a decision is made, when can the public and the Members of this House learn about it?

535 **The Speaker:** Minister.

The Minister: Mr Speaker, there are no plans to abandon prescription charges. We are in a difficult financial position, and it is quite alarming to hear the suggestions being put forward by the Hon. Member, not of savings but actually spending more money.

540 However, in relation to the point she makes about timing and announcement of timings, that will be in the gift of the Council of Ministers when it considers and gives its decision.

INFRASTRUCTURE

Road maintenance Question withdrawn

1.6. The Hon. Member for Douglas South (Mrs Beecroft) to ask the Minister for Infrastructure:

What progress is being made in addressing the maintenance of roads in order of priority?

545 **The Speaker:** Moving on, the Hon. Member for Douglas South, Mrs Beecroft has withdrawn Question 6.

Taxi trade Statement

1.7. The Hon. Member for Onchan (Mr Quirk) to ask the Minister for Infrastructure:

If he will make a statement on the taxi trade?

The Speaker: We move to Question 7. Hon. Member, Mr Quirk.

550 **Mr Quirk:** I beg to ask the Question standing in my name, sir.

The Speaker: I call on the Minister for Infrastructure, Hon. Member, Mr Cretney.

555 **The Minister for Infrastructure (Mr Cretney):** Mr Speaker, at the March 2011 sitting of Tynwald, my predecessor as Minister for Infrastructure withdrew the proposal to introduce all-Island licensing for the taxi industry. He set up a working party, led by Mr Robertshaw MHK, to investigate and consider possible alternatives to the proposals for all-Island licensing. Minister Robertshaw has briefed the Department on the findings of the working party, and as a result of this the Department is currently investigating these proposals. The Department will communicate with
560 the taxi industry on any proposals moving forward.

Can I say, at this stage, 'the Department' means myself and senior officers.

The Speaker: Mr Quirk, a supplementary.

565 **Mr Quirk:** Thank you, Mr Speaker.

Could I ask the Minister then, is it not imperative now to give a clear indication to the taxi trade which way we are actually going on this, as we still have, would he not agree with me, an

issue regarding when taxis deliver people to the airport they cannot pick up, and in these economic times – never mind for individuals wanting to get a taxi – this is a nonsense?

570

The Speaker: Minister.

The Minister: Yes, that was actually the proposal, which the then Minister withdrew. It was that a move would be towards an all-Island taxi-licensing regime, and there was general support for that from a consultation process which took place at the time, but the Minister decided that that was not appropriate to go forward.

575

I also think we need to take account presently of the economic climate that pertains externally, and if you do look around, it seems to me anyway that taxis are, in common with some other businesses, having a difficult time at the moment, so I would be cautious in terms of what I do, (**A Member:** Hear, hear.) but I do take on board the points made by the Hon. Member.

580

Mr Houghton: Hear, hear.

EDUCATION AND CHILDREN

Pre-school privatisation Closure of integrated facilities

1.8. The Hon. Member for Douglas East (Mrs Cannell) to ask the Minister for Education and Children:

585

If he will confirm that, should privatisation of the Department's pre-school facilities go ahead, this will require the closing of five pre-schools due to the fact that they are fully integrated with the main school?

The Speaker: We turn to Question 8. Hon. Member for Douglas East, Mrs Cannell.

590

Mrs Cannell: Thank you, Mr Speaker.
I beg leave to ask the Question standing in my name.

The Speaker: I call on the Minister for Education and Children, Hon. Member, Mr Karran.

595

The Minister for Education and Children (Mr Karran): Vainstyr Loayreyder, Hon. Members, as I explained in this House before, and my Chief Officer explained at the Members' briefing which the Hon. Member attended, the Department has 11 pre-schools. These are the only pre-schools. We have 10 that have 40 part-time places – 20 in a morning and 20 in an afternoon – that one can take up as far as a child is concerned, and the other one has 30 places – 15 in a morning and 15 in the afternoon – of which the children can only attend one session per day of two and a half hours.

600

In addition, the Department has previously allowed schools with spare space in the reception class to take up some pre-school-age children. In these cases, the Department of Education and Children has staffed the school to facilitate this. Where pupil numbers in reception class have risen – for example, in Marown – this provision has ceased. Such situations have caused concern when they have had to be closed, and I think it is important that we recognise that the status of this is called the Foundation Stage Unit, catering for pre-school and reception. These will no longer operate, as we require funding via staffing and the Department is ceasing the direct provision.

605

Incidentally, Hon. Members, there are six settings in these categories, not five, as in the Hon. Member's Question: Vallajeelt has eight children two times a week at two-hour sessions; Anagh Coar has 15 children five times a week in two-and-a-half-hour sessions; Foxdale has nine children five times a week in two-and-a-half-hour sessions; St Thomas's have 10 children for five days a week in two-and-a-half-hour sessions; Bride has 14 children for five days a week at two-and-a-half-hour sessions; Ballasalla has 15 children for five days a week at two-hour sessions.

610

Hon. Members, when they receive the copy of the Census, will see that there is an increase in children in the population and this will have an effect as far as these Foundation Stage Unit facilities. The issue will be that many of these opportunities – as it would be, even if we kept them

615

– would not continue as far as the numbers are concerned. In addition to this, they will see that the increase in the number of children that are now being pursued as far as this issue is concerned, the present numbers of children that would be getting nothing will actually increase under the present situation.

620

The Speaker: Mrs Cannell.

Mrs Cannell: Thank you, Mr Speaker.

625

Can I ask the Hon. Minister for Education: other than Bride School, which is closing anyway with a loss of pre-school, can he confirm that the other schools that are likely to close because they are integrated with the main school, thereby making it impossible to actually attract a private operator, are Anagh Coar, Ballasalla, Foxdale, Jurby and St Thomas – can he confirm that?

630

The Speaker: Minister.

The Minister: Vainstyr Loayreyder, I can confirm that the fact is that we would not be able to provide facilities on a separate basis at those schools, but what Hon. Members need to realise is that in the Census population, figures have shown that children of the 0-to-4s have increased and that the fact is that even if you did have the provision there, the provision would have to close with the increase in the reception classes.

635

The Speaker: Mrs Cannell.

640

Mrs Cannell: Mr Speaker, when is the Minister going to start backing up these claims with fact and research, rather than just throw out these claims, which are totally unsubstantiated?

The Speaker: Minister.

645

The Minister: Vainstyr Loayreyder, I take exception to those remarks. When she gets her Census, then maybe she will read it and she will see that the figures are actually going up –

Mrs Cannell: I know. I know.

650

The Minister: – as far as the children are concerned.

The fact is that we are going to have a much more difficult position and this Hon. House is going to have to make difficult decisions. I am very sad that we are having to make these difficult decisions now, but I have had to make a conscious decision to ringfence the statutory requirements of education. I believe that previous administrations have been far too hard on primary and secondary schools in the past and I have to make sure that I protect that as far as that issue is concerned.

655

So I find the comments quite insulting as far as this is concerned, but I am used to that.

The Speaker: Mr Quirk.

660

Mr Quirk: Thank you, Mr Speaker.

I hope I will not insult the Minister, but we could try. *(Laughter)*

Could I ask the Minister then regarding the privatisation of these pre-school units, can he give us an indication of how many companies, how many businesses have actually contacted the Department, and give us some real facts of is there anything going to be there after you have made this decision?

665

The Speaker: Minister.

670

The Minister: Vainstyr Loayreyder, I think up until about two or three weeks ago, we had something like 14 expressions of interest as far as the present units available, and that is without actually going out to any sort of formal tender basis, as far as any company is concerned.

The issue that this Hon. House has got to be worried about, in my opinion, as Minister for Education, is making sure that we police it and maintain education standards. That is the important thing, and part of the provision will be that the pre-schools will be expected, as part of a private sector initiative or voluntary sector initiative, to follow the Early Years Foundation Stage. On top of that, Vainstyr Loayreyder, as the Hon. Member for East Douglas knows, we already have a

675

680 private sector company in one of our schools. We have Moonjer Veggey in others of our schools already providing this service. The only difference will be that the taxpayer will not be funding it, apart from through a credits scheme.

The Speaker: Hon. Member for Michael, Mr Cannan.

685 **Mr Cannan:** Thank you very much, Mr Speaker.

Can I ask the Minister to clarify, just in light of the statement he has just made, that the new providers will in fact be pre-schools and they will not be nurseries; and will he clarify that as part of their tendering process they will have to submit to the Department evidence of how they are going to meet a set curriculum?

690 **The Speaker:** Mr Karran.

695 **The Minister:** Vainstyr Loayreyder, the situation has always been the case that we unfortunately had to make awkward and terrible decisions. I could have quite easily wiped out the Youth Service, instead of doing this, in order to keep within my £95 million budget, but I believed that I had to financially prioritise. I would be horrified if we were to just allow it to completely fall down, as far as this provision is concerned.

700 The problem we have, Vainstyr Loayreyder, is we have got to find a new way of how we are going to govern without throwing money at a problem. The situation is that what we are looking at is how we can come up with a new way of dealing with things by using the private sector and maintaining the standards in the private sector. Any of the people who are using the existing units within the pre-school arrangement at the present time will have extra flexibility, apart from anything else, in that they can open from half eight to five o'clock at night.

705 **The Speaker:** Hon. Member for Malew and Santon.

Mr Cregeen: Thank you, Mr Speaker.

710 When the Minister said about additional costs for the five of these primary schools and the numbers of children going up, would he not agree that in some of these schools, Year 1 and Reception, you are only looking at five places, so you would not really amalgamate them, so there is no saving because you cannot join the two classes together because they would be over numbered and so there is no saving to be made by closing these?

Also, can he confirm whether he has read the UK National Audit Office Report into Pre-School Provision?

715 **The Speaker:** Minister.

720 **The Minister:** Vainstyr Loayreyder, in the case of my friend, the Member for Santon and Malew, there are presently 15 children going into his provision. The situation is, Vainstyr Loayreyder, it will have an effect as far as pupil/staff ratio. The fact is that if we were looking at the situation of not an increase in the Census of residential population by sex and single age, on Table 4, you would still have to fund that as far as that issue is concerned. Admittedly, in his particular case, with the way that the redevelopment of that estate is concerned, would predominantly be more for flats and the likes, it has had a major effect on the demographics as far as the school is concerned. The reality is that what will have is we have to find a way of coming up with a fair basis for all.

The Speaker: Hon. Member, Mr Skelly.

730 **Mr Skelly:** Gura mie eu, Vainstyr Loayreyder.

Could his Department not have found £400,000 to fund the privatised rescue plan? Can the Minister confirm this as not being at the cost of front-line services, teachers and their assistants?

The Speaker: Minister.

735 **The Minister:** Vainstyr Loayreyder, originally I would have liked to have seen a much more generous credits scheme, because this is the start of a new policy that is going to have to be developed. The money that has come to us is new money, as far as the credit is concerned, and it was after the sensible intervention of the Chief Minister, as far as... We understood that this was

740 going to be difficult. I was warned by my Chief Executive: I can either take the easy option, which will be detrimental to education; or take the harder option. This was money that was given on top of my existing budget.

The Speaker: Mr Singer, Hon. Member.

745 **Mr Singer:** Could I ask the Minister if he could just enlarge a little on that figure he has given of £400,000. (**A Member:** A million?) (*Laughter*) Is he saying that the £400,000 was not found from further savings within his Department, but actually was given, as a gift, from Treasury?

The Speaker: Minister.

750

The Minister: Vainstyr Loayreyder, the money that was given was given to recognise the amount of political pressure everyone in this Hon. House would be under because of having to take such awful decisions, which are only going to get worse next year if we do not find ways of changing it. The situation is if the Hon. Member for Ramsey can find me a lot more money, I will be very grateful for it, but unfortunately, Vainstyr Loayreyder, as I have explained to my Department, I am the Minister for Education, not the Minister for the Treasury, and the fact is that

755 when I had one of my Members saying, 'Well, go back and we will put Income Tax up for everybody to pay for that,' that would create an economic wilderness in this Island as far as that is concerned. We are going to have to make some awfully hard decisions and this is only the start.

760

The Speaker: Hon. Member, Mr Quirk.

Mr Quirk: Thank you, Mr Speaker.

765 Could I ask the Minister regarding the tender documents. Could he give us an indication, are the tender documents available; when will they be coming out? Will there be a couple of different sets of tender documents, as some of the schools are integrated in; and who will be responsible for the overseeing for insurance purposes of the integrated schools?

The Minister: Vainstyr Loayreyder, the insurance will be the responsibility of the care provider, as far as that is concerned.

770

As far as the tender documents, which have not gone out at the present time, they are go out at the end of April, I believe, as far as that issue is concerned.

The Speaker: Mrs Cannell.

775

Mrs Cannell: Thank you, Mr Speaker.

Will the Minister accept that I am fully aware of the Census figures which show that, as of last year, there were 1,003 two-year-olds who will be eligible to start pre-school this year, thereby taking the Department's figure of 800 up quite significantly?

780

And further, can he confirm, following a Written Question to another Department, that in fact there are altogether 26 privately operated children's nurseries Island wide that cater for a maximum of 932 children, but the Department of Social Care has no idea whether or not those facilities have any spare capacity? So how can he be assured that his voucher scheme will be taken up and indeed, that this service will continue to roll on, albeit provided through the private sector?

785 What kind of assurances has he?

The Minister: Vainstyr Loayreyder, it is not a voucher scheme; it is a credit system. May I say, Vainstyr Loayreyder, that I had as much controversy from the... whatever they are called, the nursery alliance lot, as far as their complaint was that we were going to flood the market with an extra 11 facilities – and actually, it might be more than that if other things come about and movements are concerned. So the situation is the complaint from the private sector is that they believe that this will actually undermine their businesses at the present time because there is too much capacity. So somebody has got to go, as far as that is concerned. I am led to believe by the private sector that they actually believe that bringing this in will question the viability of some of their units.

795

Vainstyr Loayreyder, I do not mind who provides this service so long as they provide it and they keep the good practice that we have got of the Early Years Foundation Stage. I believe that we have got to try and govern now and try and find new models on how we are going to provide these services and keep to our core services that we must protect.

**Pre-school education
Parental contributions**

1.9. The Hon. Member for Douglas East (Mrs Cannell) to ask the Minister for Education and Children:

800 *If he has considered the Department continuing to provide pre-school facilities with a contribution from parents to cover the costs; and, if not, why not?*

The Speaker: We turn to Question 9. Again, Mrs Cannell, please.

805 **Mrs Cannell:** Thank you, Mr Speaker.
I beg leave to ask the Question standing in my name.

The Speaker: Minister for Education and Children.

810 **The Minister for Education and Children (Mr Karran):** Vainstyr Loayreyder, Hon. Members, the working party in the Department considered a number of charging models. The issue of charging was first raised and rejected in 2009-10. Hon. Members will remember that there has been some considerable controversy over this issue for some years. The fundamental flaw with the model which involves the Department charging is that when the charging begins, the number and frequency of people bringing their children to take up places is likely to fall and the Department faces the potential problem of having to staff unoccupied provision, incurring costs which would not benefit the children.

815
The whole point of this exercise, which the Department of Education and Children has only undertaken reluctantly – it gives me no joy to have to do this – is that it is one of the measures which has had to be taken to make the savings target of £2.5 million, which has to take place within seven months from 12th September to 31st March.

820 As my Chief Officer informed you last week at the Members' briefing, the removal in the entirety of the six full-time services, including the youth service, the school meals, would not cover the amount of money that would be left as far as the budgetary challenges we have got.

825 Whilst it may seem, mainly in this House, that the Department's financial challenges were too difficult to meet, and I understand that – I was not happy with my budget, but I have to live with it and get on with trying to bring about what needs to be done – I would remind Hon. Members that the Isle of Man has lost one third of its revenue income, and significant changes are going to have to be made, unfortunately. Whilst we would dearly like to provide more for children, we hope that parents will recognise the payment will give an encouragement to attend pre-school and, even where attendance is reduced, that children will benefit. The system does not mean that every child will get something at the present time, but at least with the extension of a credit scheme there is something there which hopefully, when better times come, can be improved.

835 It is interesting to see that even one of the strongest critics of the present system, the President of the Isle of Man Mothers' Union, has given some cautious welcome. The bottom line is that we simply cannot afford to continue a system of a postcode lottery. Whilst it is a good service for the ones who get it, it is no recompense for the ones who do not. As I have already raised, as far as this issue is concerned, the Census figures show that the number of children will be going up in the school population. That will mean that there will be less opportunity for those children under the present system and an increase in those children who will get nothing.

840

The Speaker: Mrs Cannell.

845 **Mrs Cannell:** Thank you, Mr Speaker.
Can the Minister confirm that he has met no less than five occasions with the nursery lobby – as he refers to them – people, and that they have, in fact, presented him with three alternative financial models based on figures that he and his Department and his Chief Executive had provided to them, which provide a more manageable fee that could be accommodated by parents? Why haven't either of those three financial models received proper consideration and scrutiny?

850

The Minister: Vainstyr Loayreyder, when I was talking to my previous Question, I was actually talking about the Playgroup Association, not the pressure group, as I wrote to the lady concerned and her group and congratulated her on her campaign.

855 The situation is that my Department staff have said that it is not possible. There are a number
of interesting provisions, as far as it puts pressure on the Department of Social Care to contribute
more money, and there are a number of other issues that do not tally up with what I am being told,
as Minister for Education and Children. I am sure that my staff have their finger on the pulse as far
as their figures are concerned, but the underlying problem that we have is if we start charging, two
860 things will happen. One will be that there will not be the same continuity where income is
concerned, and the problem will be that the Department of Education will then be a hostage to
fortune to any downturn in providing a charged service. The second problem is that we believe
that many of the people whose children should go to this sort of facility will simply not be there. I
think the problem is hard decisions have to be made, Vainstyr Loayreyder, as far as that is
concerned.

865 I have circulated the latest response to the lady concerned as far as her input into it, and I hope
that Hon. Members read and digest that.

The Speaker: Mr Quirk.

870 **Mr Quirk:** Thank you, Mr Speaker.

Can I ask the Minister, would he release the papers he had which the working party actually
worked on? Did the working party, when it met, factor in possible contributions from parents? Did
the working party take any advice from any external bodies, other than the Department?

875 **The Speaker:** Minister.

The Minister: Vainstyr Loayreyder, I would have to ask the working party for their
permission to release what papers there are.

880 **Mr Cregeen:** They are all here.

The Minister: I think that would be something that would have to be discussed at CoMin.

The reality is, Vainstyr Loayreyder, that if you start charging for this service, it is almost
certain the frequency and the numbers will go down.

885 The problem I have is the reason I am having to do this is part of the re-budgeting exercise for
a third of your income that has been lost, as far as Government is concerned. As far as the
Department is concerned, we have had to make this hard decision. I could have taken the decision
of doing away with the Youth Service, doing away with another 30 staff throughout our schools,
which makes our teacher/pupil ratio harder. What I am committed to is trying to make sure we can
890 develop a situation where we protect our statutory obligations as the Department of Education.

The Speaker: Hon. Member for Middle.

Mr Quayle: Thank you, Mr Speaker.

895 Has the Hon. Minister for Education and Children taken into consideration cost savings shown
by discovering problems that a child may show early on in its life?

The Speaker: Minister.

900 **The Minister:** Vainstyr Loayreyder, I appreciate that. I have got, funnily enough, Frank
Field's Report here as well about the issue of preventing poor children becoming poor adults. I
have to be honest with you, but the problem we have got and the fundamental flaw you have got
with the present system is, and I do not question the integrity of the information that has been
905 given from outside this Hon. House, but I am told that 55% of the children at the present time can
have the facility. That is going to decrease. Not only is that going to decrease, but in the most
important areas, such as in this area here where we have got the rogue landlords, we have got our
low-paid people living in substandard accommodation on poor wages, there is no pre-school
facility here and the point is what we are doing is not popular; but, Vainstyr Loayreyder, it is
important that we do look for a new way of dealing with this and that new way of dealing with this
910 will provide the service, whether it is run within the state or outside the state.

The Speaker: Mrs Cannell.

Mrs Cannell: Thank you, Mr Speaker.

915 Does the Minister not appreciate, when he says, if you start charging, numbers will go down, that that is likely to happen anyway, in the event of him putting this service out to the private sector? Does he not accept that the private sector would not risk going into this business, unless they could see a profit at the end of the day, and that when one compares what people would be expected vis-à-vis what the Department *could* charge which would be a reasonable charge, but in
920 fact, the Department continuing to provide the service would in fact be more advantageous and it would continue to be teacher led?

The Speaker: Minister to reply.

925 **The Minister:** Vainstyr Loayreyder, the issue of ‘teacher led’ is an issue which is a debateable point, that that would be a priority as far as a pre-school facility. The situation is that if – and I think this is the thing that saddens me... When I was talking about a Rolls-Royce job, I was not talking about a Rolls-Royce job, as far as the two and a half hours, five days a week. What I was talking about, when you work out the costs, as far as us running it, the capital costs that are not in
930 the equation, the pension liabilities that are not in the equation: if I had that money in the budget to do it the way that we are proposing, so long as we could police it correctly, we would actually be able to provide a quadruple service to what we have got.

The double whammy that we have got, Vainstyr Loayreyder, is the fact that only that I had to take the money out for this service – which is not a criticism on the staff or anybody else – the fact
935 is we have only got £400,000 put back in, as far as that is concerned. For what we are proposing, we will actually get more for the money for the individuals concerned, than putting £400,000 into the present system. Unfortunately, we are in hard times.

The Speaker: Mr Quirk.

940

Mr Quirk: Thank you, Mr Speaker.

Could I ask the Minister once again, did the working party take any advice from external parties, and did they factor in or do any models with contributions from parents?

945 Can I just finally quote to him on page 8 of the *Examiner* that also Mrs Parry was bitterly disappointed with him, sir.

The Speaker: Minister.

950 **The Minister:** Vainstyr Loayreyder, I am sure that everybody is bitterly disappointed with the fact that we have got to find a third of our income in cuts, as far as the Isle of Man Government is concerned. I think everyone is going to be bitterly disappointed.

But what I would remind the Hon. Member is that the last five years, you went ahead, nodding through the things that went through, when we should have been a lot more responsible.

955 The situation is the chickens have come home to roost (*Interjections*) and *we have got* –

Mr Quirk: Point of order, Mr Speaker.

The Speaker: Your point of order is?

960 **Mr Quirk:** The Member is misleading the Members of the House by saying we nod through things, sir. We actually vote, sir, in this particular House. Would you not agree, sir? (*Interjections*)

The Speaker: It is not for me to agree, it is –

965 **The Minister:** Vainstyr Loayreyder, the one thing I do not want is to reduce this Hon. House to a playground. (*Interjections*) The reality is that hard decisions are going to have to be made. The situation is that you are going to have to make hard decisions on these points.

970 What I have said is we have fought long and hard about this. My Chief Executive Officer has a history as far as pre-school is concerned and about nursery education and understands the difficulties that we are living in. I find it quite amazing when I hear that because we have had a few people on to us, that we are all on the run as far as this issue is concerned. Ideally, Vainstyr Loayreyder, we would not be doing this; but we are not in an ideal world and I think Hon. Members are going to have to start... look at your newspapers, look at the TV about Greece and Spain and places. We have to avoid that sort of scenario.

975

The Speaker: Mrs Beecroft.

Mrs Beecroft: Thank you, Mr Speaker.

980 Given the sort of numbers of children who have no access to the service at the moment, and bearing in mind the children who have the disadvantages that people are concerned about, would the Minister not agree that under the proposed system that will be coming in, 100% of the children actually have a chance of being picked up as having some sort of disadvantage before they start school, whereas at the moment it is only 55%, if I am quoting correctly, and likely to fall?

985 **The Speaker:** Minister.

The Minister: Vainstyr Loayreyder, that is the case. The case is that, particularly in this area of major social deprivation, there is no facility at all and I have no chance of extending the service. All I will be doing is contracting the service to a less and less proportion of the people than at the present time. The policy I have made is not popular, is not one that I would choose, but I joined this Government of National Unity because I understand, and I believe I have got a team of people who are starting to realise what we are going to have to do, if we are to protect this Island.

995 **The Speaker:** I am not going to have this debate extended any further. (**A Member:** Hear, hear.) It has strayed beyond the Question on the paper.
Mr Cregeen.

Mr Cregeen: Thank you, Mr Speaker.

1000 The Minister says this is a decision. It does not mean it is the *right* decision. When they are talking about getting those people who are most in need, will he not agree, in the National Audit in the UK, one of the concerns was that when it went out to the private sector, those in most need did not pick it up, because of the additional cost? So the case being put forward that 100% of the people will be offered it, the chances are that those in most need will not be able to afford it. So you are not actually hitting the people who need it. You need to means test it, if you are going to do something.

The Minister: Vainstyr Loayreyder, I am afraid that, unfortunately, as far as the National Audit Office is concerned, I think that the Hon. Member is talking about the credit scheme that has happened in the United Kingdom – (*Interjection by Mr Cregeen*) Yes, the voucher scheme in the United Kingdom.

1010 We have actually taken cognisance of the experience in the United Kingdom. One of the things that we have said is we have split up the voucher on a term basis. The other thing is that the voucher cannot be converted into a monetary situation, as far as that is concerned, and that is the case.

1015 We have consulted frequently with the private and the voluntary sectors as far as the capacity to provide and at times... and further consultation as far as the limited extension, as far as the discussion that is taking place, as far as this is concerned.

The Speaker: Hon. Members, that brings us to the end of Questions for Oral Answer.

1020 Just as a matter of form, some Members have raised the fact that we have gone beyond 11 o'clock. At my discretion, I consider that when we are in the middle of Questions I am prepared to complete the questioning of that particular Question on the Order Paper and then, if there are any remaining, put the matter to a vote for the suspension of Standing Orders in order to continue.

There are five Questions for Written Answer and the replies will be distributed to those.

Questions for Written Answer

CHIEF MINISTER

Government suppliers

Payment of invoices

2.1. The Hon. Member for Onchan (Mr Hall) to ask the Chief Minister:

1025 *How many businesses which supply Government did not have their invoices paid within the target time in the latest period for which figures are available; and, if applicable, the amounts?*

1030 **Answer:** During February 2012, Government paid 3,761 suppliers relating to 17,220 invoices with a value of £28.6 million.

Of these 17,220 invoices:

(a) 14,355 invoices (83%) relating to 3,118 suppliers with a value of £25.6 million (89%) were paid within 30 days from the date on the invoice;

1035 (b) 2,026 invoices (12%) relating to 616 suppliers with a value of £2.3 million (8%) were paid within 60 days of the date on the invoice; and

(c) 839 invoices (5%) relating to 442 suppliers with a value of £0.7 million were paid after 60 days after the date on the invoice.

1040 Most Government suppliers have payment terms of 30 days (or equivalent, such as one month or four weeks). Treasury operates a weekly BACS payment process and so invoices will be paid within this period unless queries arise when the invoice is considered for payment authorisation. Invoices are only processed for payment after they have been duly authorised by Departments and any delay outside normal target terms is predominantly incurred during the period of authorisation for payment.

1045 The above information relates to Government Departments, Boards and Offices that are funded from General Revenue.

TREASURY

Oak Road, Peel

Internal Audit investigation

2.2. The Hon. Member for Douglas South (Mrs Beecroft) to ask the Minister for the Treasury:

With respect to the Internal Audit Division's investigation into Oak Road and PA 02/02106/B:

(a) *if the investigation has commenced;*

1050 (b) *if the actions of Network Planning and the Attorney General's Chambers will form part of the investigation; and*

(c) *whether and, if so, when Internal Audit intends to contact Ballawattleworth Action Group?*

1055 **Answer:** An allegation made by a member of the public to the Department of Infrastructure was recently passed to Internal Audit in line with Financial Directive 11. The allegation is in the process of being reviewed by Internal Audit; this includes securing some independent advice from a planning professional.

Until this initial assessment has been completed, no decision on whether an investigation will be undertaken, its scope or the individuals who may or may not be interviewed, will be made.

INFRASTRUCTURE

**Douglas to Peel railway
Infringement onto line**

2.3. The Hon. Member for Onchan (Mr Hall) to ask the Minister for Infrastructure:

- 1060 (a) *Whether the line of the Douglas to Peel railway through Douglas has been preserved so that it could be used for leisure or another purpose in the future;*
(b) *if there has been an authorised or unauthorised infringement onto the disused railway line;*
(c) *if there has been an authorised infringement, how it was authorised; and*
(d) *if there has been an unauthorised infringement, what enforcement action has been taken or is planned?*

1065 **Answer:** (a) Certain sections of the former railway lines were sold off by the Government Property Trustees in the late 1970s, including sections of the Peel to Douglas line in the Douglas area. The remaining sections of the line still belong to the Department of Infrastructure.

1070 (b) Other than the sections sold off in the 1970s, three areas have been leased or rented out with a right of access reserved across them if required in the future. These are the area by McDonald's Restaurant and the areas behind Eurocars and Beaumanx Properties Ltd premises on Peel Road. Government (Department of Home Affairs) also uses the area behind the Fire Station and has also permitted the Hyperbaric Chamber to be sited in this area.

1075 (c) The leases and rental of the areas referred to were formally approved by the Department and provide a useful source of rental income for an area with limited potential. The use by the Fire Service and Hyperbaric Chamber were approved a considerable time ago and make use of a Government asset.

(d) The Department is not aware of any current unauthorised infringements and if any are identified in the future appropriate action will be taken.

MANX LABOUR PARTY

**Pre-school education
Manx Labour Party policy**

2.4. The Hon. Member for Douglas East (Mrs Cannell) to ask the Member for Douglas South (Mr Cretney):

- 1080 *Whether it is the policy of the Manx Labour Party that all pre-school facilities should remain free of charge under the Department of Education and Children and that such should be made a statutory duty; and, if so, what action he is taking within the Council of Ministers to pursue this policy?*

1085 **Answer:** In the 2011 Manx Labour Party Policy Document, 'Fit For The Future In Partnership', the section regarding Education and Training states, and I quote:

1090 'A statutory duty should exist to provide free nursery education for pre-school children whose parents wish to utilise such facilities. Pre-school provision should be extended to include all children from one year prior to the child's entry into compulsory education.'

It states further:

1095 'The importance of social skills and the foundation stones of education – reading and writing – cannot be overestimated.'

The Manx Labour Party have played a full role 'at the table' rather than 'shouting from the sidelines' since the introduction of ministerial Government, and long before. As a result, many of our policies have become Government policy to the benefit of those we represent.

1100 With regard to the present proposals – when the Government has a major task in rebalancing the budget, the Department of Education and Children has proposed that this service be delivered

in a different way to a wider range of children on a geographic basis. Like others, I have actively scrutinised this policy and will continue to do so in the time ahead.

PLANNING COMMITTEE

Planning enforcement investigations Independence and objectivity

2.5. The Hon. Member for Douglas South (Mrs Beecroft) to ask the Chairman of the Planning Committee (Mr Quayle):

1105 *What measures the Planning Committee takes to ensure that a planning enforcement investigation is conducted independently and objectively?*

Answer: It is the Department of Infrastructure's Planning and Building Control Division and not the Planning Committee, which has legal responsibility for planning enforcement.

1110 All Planning Enforcement Investigations are conducted by the Department in accordance with the published Planning Enforcement Policy, which provides a consistent approach to the prioritising of and means of investigating alleged breaches of planning control. The published Planning Enforcement Policy enables the function to be carried out in an equitable, practical and consistent manner and clarifies the process for all its 'users'.

1115 It should be noted that the purpose of enforcement is to ensure development complies with policy and does not result in material harm. The objective of the enforcement function is compliance and not punishment, though this on occasion has to be used as a measure of last resort.

All investigations are undertaken by the Department's Planning Enforcement Officer with support from professional planning officers.

1120 The planning and enforcement officers are by their nature and appointment independent officers whose purpose is to undertake the assessment of applications and any breaches of planning in an unbiased manner. Officers would need to observe the Isle of Man Government Code 2011 in the exercise of all of their duties.

1125 All complaints are acknowledged and investigated in accordance with the priorities outlined in the policy. When investigating a potential breach of planning control the following questions need to be addressed:

- Does the work constitute development?
- Is there a breach of planning control?
- Is the breach causing harm?
- What level of action is appropriate? (is enforcement expedient?)

1130 Progress on planning enforcement investigations is reviewed on a regular basis with the Departmental Member for Planning. Whilst delegated powers have been given to the Development Control Manager in dealing with enforcement, the more complex investigations are reported to either myself as the Departmental Member for Planning, or the Minister to consider. A report that covers all of the issues is normally prepared by either the enforcement officer or the Development Control Manager.

1135 When a breach is established, and if it is decided that the breach is material and needs to be actioned, officers will first seek compliance through negotiation and only resort to formal action when all other routes have been exhausted.

1140 Decisions to instigate formal action are made by the Departmental Member for Planning, in light of the advice provided by planning officers and where appropriate legal advice from the Attorney General's Chambers. All decisions made are potentially challengeable and consequently due care and diligence is required in making of any assessment.

1145 In some instances it may be decided that it is not appropriate to pursue action. This may be because the breach may be minor or technical; or even when the breach is clear, the harm it causes may not be significant, or that formal action may not be in the public interest. In reaching the decision the balance of harm must be weighed against the likely success of any formal action; the availability of resources, and other cases that might be causing a greater level of harm, but whose progress may be delayed as a result. If a case is to go to court the Attorney General's Chambers must be satisfied that there is sufficient evidence to substantiate the breach.

1150

1155 In many cases it is appropriate to allow for the submission of a retrospective application, and allow time for a subsequent appeal before pursuing any formal enforcement action. Retrospective applications will be dealt with on their planning merits. The applicant will neither gain advantage nor be disadvantaged by the fact that the application is retrospective. Consequently some cases may take a few months, or longer, to reach a conclusion. If an enforcement notice is served, a reasonable time must be given for compliance.

Matter of Urgent Public Importance

DEC policy on pre-school education Urgent Motion to be taken as next business Motion lost

The Hon. Member for Douglas East (Mrs Cannell) to move as an Urgent Motion under Standing Order 2.4(f):

That this House is of the opinion that the proposed changes to Department of Education and Children policy on pre-school education should require the approval of Tynwald.

1160 **The Speaker:** We now move... Mrs Cannell.

Mrs Cannell: Mr Speaker, I beg to move that the Urgent Motion, of which I have given written notice and copies to all Hon. Members, which have now been circulated, be taken forthwith, under Standing Order 2.4.

1165

The Speaker: Hon. Members, I require four Members, in accordance with Standing Orders, to rise in their place.

1170 *Several Members rose in their places.*

The Speaker: Four Members having risen to support the mover of the Urgent Motion and copies of this have been distributed, I would advise there is no debate on the motion, and I therefore will put the question to the House. The question is that the Urgent Motion moved by the Hon. Member takes precedence over business on the Order Paper. I put that question. All those in favour, say aye; against no. The ayes have it.

1175

A division was called for and electronic voting resulted as follows:

1180	FOR Mr Quirk Mr Ronan Mr Singer Mr Quayle Mr Cannan	AGAINST Mr Karran Mr Crookall Mr Anderson Mr Bell Mr Teare
1185	Mr Cregeen Mr Houghton Mr Henderson Mrs Cannell Mr Corkish	Mrs Beecroft Mr Robertshaw Mr Shimmin Mr Cretney Mr Watterson
1190	The Speaker	Mr Skelly Mr Gawne

The Speaker: With 11 votes for, 12 votes against, the motion therefore fails to carry.

1195 **Mrs Cannell:** Mr Speaker, may I have a print-out, please?

The Speaker: You may have a print-out.

Orders of the Day

BILL FOR FIRST READING

Town and Country Planning (Amendment) Bill

The Speaker: We therefore turn to the next Item on our Order Paper, Bill for First Reading. I call on the Secretary of the House.

The Secretary: Bill for First Reading: Town and Country Planning (Amendment) Bill – Member in charge, Mr Crookall.

BILL FOR SECOND READING

Companies (Beneficial Ownership) Bill 2012 Second Reading approved

4.1. Mr Teare to move:

That the Companies (Beneficial Ownership) Bill 2012 be read the second time.

The Speaker: Item 4, Bill for Second Reading, the Companies (Beneficial Ownership) Bill and I call on the mover, the Hon. Member, Mr Teare.

Mr Teare: This Bill is the Companies (Beneficial Ownership) Bill 2012. The Bill will only apply to companies that are incorporated under the Companies Act 1931. By way of background, the proposal falls into two parts. The purpose of the Bill is to address the recommendation of the International Monetary Fund in respect of old Financial Action Task Force recommendation 33, which has been replaced by new recommendation 24. These both address access to beneficial ownership and control of information of legal persons. Secondly, the Bill introduces a new provision to require a specific person within a company to have access to information regarding the beneficial ownership of membership interests. The person who must know this information is the nominated officer.

The Bill is divided into 14 clauses. I will now give Hon. Members an explanation of what they are intended to achieve.

The first clause gives the Act resulting from the Bill its short title.

Clause 2 provides for the Bill to come into operation on one or more days appointed by the Treasury. This clause also caters for the making of transitional and saving provisions.

Clause 3 defines what is meant by the term 'beneficial owner'.

The fourth clause lists those companies to which the Bill applies. It also exempts certain companies from the provisions. The current exemptions are in respect of those companies where the membership classes are large and subject to frequent changes. This relies on other rules being in place, such as those of a regulated stock exchange. The Treasury is given powers to grant further exemptions by order.

Clause 5 confirms that a nominated officer must either be a Manx resident individual or a corporate service provider.

Clause 6 sets out the information that a company must hold in respect of its nominated officer. Provision is also made to require that the nominated officer and changes to the details of the holder of this role are notified to the Registrar of Companies.

Clause 7 considers those instances where the members of a company hold shares as nominee on behalf of the beneficial owner of the interest. The obligation to inform the nominated officer of the beneficial owner of the interest falls to the nominee. Failure to do so will be a criminal offence.

Clause 8 lists the information that must be provided to the nominated officer in respect of the beneficial owner of an interest in a company.

Clause 9 sets out the sanctions that can be applied by a company where the nominated officer has not been informed of the identity of the beneficial owner of the interest in a company.

1240 Clause 10 considers the circumstances in which a nominated officer will be required to disclose the identity of the beneficial owner of an interest in the company. The persons who may make the request and the circumstances in which a request may be made are set out. This clause also makes it an offence for a nominated officer to fail to provide information on request or to knowingly provide false information.

1245 Clause 11 considers the offence of tipping off a person under a request for information under clause 10. The giving of legal advice or disclosure of information in respect of legal proceedings are exempted under this clause. Disclosures made to further a criminal purpose are not covered by the exemption.

1250 Clause 12 makes provision to ensure that legal professional privilege is protected, where appropriate.

Clause 13 sets out the penalties in respect of offences under the Bill.

Clause 14 clarifies that the Bill does not limit or restrict provisions in other Acts or the company's articles of association that might otherwise be seen to conflict with the Bill.

1255 Mr Speaker, I beg to move the Second Reading of this Bill.

The Speaker: Mr Henderson.

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.

1260 I beg to second, sir, and reserve my remarks.

The Speaker: Mr Quirk, Hon. Member.

1265 **Mr Quirk:** Just one thing, if I could, Mr Speaker. Just regarding tipping off, I did not like the word, for a start, but I am just wondering whether, if a tip-off is made, then the party who the tip-off is made against, the identity is not secret. So a person says something... Like in this Hon. House, they put their name on it. They do not just hide behind anonymity.

1270 **Mr Teare:** I think, with respect to the Hon. Member, we are talking at cross purposes. Tipping off relates to where there is an inquiry made and the person who is subject to that inquiry is then told that the inquiry has been made. It is a principle in other legislation as well, primarily in respect of financial matters where there might be an investigation in the course of being mounted.

1275 **The Speaker:** Hon. Members, I put the question that the Companies (Beneficial Ownership) Bill be read for the second time. Those in favour, please say; against, no. The ayes have it. The ayes have it.

BILLS FOR THIRD READING

Legal Aid (Amendment) Bill 2012

Third Reading approved

5.1. Mr Teare to move:

That the Legal Aid (Amendment) Bill 2012 be read the third time and be sent to the Council.

1280 **The Speaker:** Item 5, Bills for Third Reading: Legal Aid (Amendment) Bill. Again, I call the mover, Mr Teare.

Mr Teare: Thank you, Mr Speaker.

1285 As previously outlined, the Legal Aid (Amendment) Bill will amend the Legal Aid Act 1986 by introducing statutory solutions which will enable the recommendations of the Legal Services Commission and the more recent recommendations of the Select Committee of Tynwald on Legal Aid in Family Matters to be progressed and implemented.

1290 The primary objectives of the Bill are (1) to allow Legal Aid to be made available for mediation at the earliest possible stage of a dispute. This will provide a number of benefits, which will include the provision of a less costly process for all involved, a reduction of conflict between parties, which will be of benefit to all concerned and affected by the dispute and an increased likelihood that the parties will accept and adhere to an agreed solution, therefore reducing the

likelihood of the parties having to return to court in the future. It is anticipated that this, in turn, will lead to a reduction in the cases being progressed before a court. Also, it will enable those areas of agreement to be identified so that the court proceedings can focus on those items, which are in dispute.

1295 (2) To provide for a greater recovery of Legal Aid costs by way of contributions from the
assisted persons. The Bill will potentially allow for regulations to be introduced or amended in
relation to Legal Aid contributions. Mr Speaker, you will recall during the clauses reading, I
mentioned that a subcommittee of the Council of Ministers is reviewing and considering the
1300 options in relation to increasing the level of contributions payable under a Legal Aid certificate,
and when they have concluded their investigations they will be reporting back to Council with
their findings and recommendations. Any recommendations or proposals will be subject to
approval by Council of Ministers before being referred to the newly constituted Legal Aid
Committee for consideration. The proposed regulations will then be subject to a period of public
consultation and will, of course, be subject to the final approval of Tynwald. The Bill also enables
1305 the introduction of a statutory charge in furtherance to the recommendations of both the Legal
Services Commission and the Select Committee.

(3) To create a Legal Aid Appeals Tribunal: clause 14 of the Bill establishes a new Legal Aid
Appeals Tribunal which will replace the Legal Aid Committee as the body responsible for the
consideration and determination of appeals which arise from decisions to refuse to grant Legal Aid
1310 or a refusal to amend or extend the scope or limitations of a Legal Aid certificate.

(4) To reconstitute the existing Legal Aid Committee, so that its membership is predominantly
made up of non-lawyers and to extend its functions to include oversight of the Legal Aid
Certifying Officer and Legal Aid administration. The existing Legal Aid Committee consists of
four members, and they are: the First Deemster and Clerk of the Rolls; the Chairperson of the
1315 Magistrates' Association; Her Majesty's Attorney General; the President of the Isle of Man Law
Society. The existing members are appointed to the Legal Aid Committee by virtue of the posts
they hold, and there is no limitation or term of office in relation to the duration of their
appointment to the Committee, except where a fixed term of office applies to the post which
requires them to sit on the Committee.

1320 The current Legal Aid Committee is a body, which has both regulatory-making powers and the
powers to hear appeals in relation to refusal to grant Legal Aid or a refusal to amend or extend the
scope or limitation of a Legal Aid certificate. Clause 13 of the Bill provides for the reconstitution
of the Legal Aid Committee and is in line with the recommendations put forward by the Select
Committee. The new Legal Aid Committee will consist of between five and seven members and
1325 will be made up of a majority of non-lawyers. The Committee will retain the power to consider the
provision of Legal Aid and to determine general policy. However, the powers of the Committee
will be extended to include oversight of the Legal Aid Certifying Officer and Legal Aid
administration, and the adjudication of complaints, which are outside the remit of the Legal Aid
Tribunal.

1330 Mr Speaker, during the clauses reading of the Bill, an issue as to the appointment of members
to the Legal Aid Committee and Legal Aid Tribunal was raised. I would like to take this
opportunity to provide further clarity in relation to that issue.

Members of both the Legal Aid Committee and the Legal Aid Tribunal will be appointed by
the Appointments Commission. The Appointments Commission is a body which has been
1335 established as an independent body by the Council of Ministers, under the auspices of the
Tribunals Act 2006. The principal function of the Appointments Commission is to make
appointments in accordance with relevant legislation to various tribunals and other bodies. The
Appointments Commission is currently made up of five members who are individually appointed
by the Council of Ministers, following consideration of an application and interview process.

1340 Following the introduction of this Bill, the General Registry, following discussions with such
bodies as they consider relevant, will provide the Appointments Commission with a person
specification, which will detail the appropriate skills and experience required of members to be
appointed to the Legal Aid Committee and the Legal Aid Tribunal. Mr Speaker, I respectfully
suggest that, taking this into account, I trust that I have eased my fellow Members' concerns in
1345 relation to the appointment of members to the Legal Aid Committee and the Legal Aid Tribunal.

Mr Speaker, now having outlined the primary aims of the Bill and clarified the issue previously
raised during the clauses stage, I beg to move that the Legal Aid (Amendment) Bill be read for a
third time.

1350 **The Speaker:** Mr Henderson.

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.
I beg to second, sir, and reserve my remarks.

1355 **The Speaker:** If Members wish to resume their seats...
I put the motion that the Legal Aid (Amendment) Bill be read for the third time. Those in favour, please say aye; against no. The ayes have it. The ayes have it.

Partnership (Amendment) Bill 2012
Third Reading approved

5.2. Mr Henderson to move:

That the Partnership (Amendment) Bill 2012 be read the third time and be sent to the Council.

1360 **The Speaker:** We turn now to the Partnership (Amendment) Bill and I call on the mover, Mr Henderson, to move the Third Reading.

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.

1365 In June 2011, the Organisation for Economic Co-operation and Development (OECD) and their Global Forum on Transparency and Exchange of Information for Tax Purposes – ‘the Global Forum’ – released its Report on the Isle of Man. This Report praised the Isle of Man’s effective and expeditious exchange of tax information and made a number of recommendations, one of which stated the Isle of Man law should ensure that limited partnerships are, in all cases, required to maintain reliable accounting records, including underlying documentation for at least five years.
1370 As Hon. Members will recall, this small Bill allows for just that to happen and enshrines the criteria required by the OECD – it ensures that that is enshrined in the Manx statute.

The industry has been widely consulted upon, Vainstyr Loayreyder. This does not have any detrimental effects as such, but it puts the principles in statute to which most of the affected organisations here already aspire – the GAAP principles – at any rate, Vainstyr Loayreyder. To that end, sir, I beg to move that the Third Reading is taken.

1375 If I might just also add, Vainstyr Loayreyder, that I wish to thank the officers in the Treasury for their help and assistance on this and for my persistent questioning and testing of the issues that we have discussed with the passage of this Bill, and a special mention to Gillian Prestwich.

I beg to move, sir.

1380 **The Speaker:** Mr Teare.

Mr Teare: I beg to second, sir.

1385 **The Speaker:** I put the motion that the Partnership (Amendment) Bill be read for the third time. Those in favour, say aye; against no. The ayes have it. The ayes have it.

Casino (Amendment) Bill 2012
Third Reading approved

5.3. Mr Henderson to move:

That the Casino (Amendment) Bill 2012 be read the third time and be sent to the Council.

The Speaker: Casino (Amendment) Bill, Mr Henderson.

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.

1390 As we have heard with the passage of this Bill, online gambling is one of the Manx economy’s recent success stories and the Department of Economic Development has identified a significant and important opportunity to capitalise on the excellent foundation which the gambling sector has established here, by allowing the staging of live gaming tournaments. This is an important business opportunity to grow the Island’s economy, and a chance to assist in mitigating the

1395 negative effects of the VAT reductions in the sharing arrangement we have with the United Kingdom. It could also pave the way for other initiatives.

Live gaming tournaments are competitions in which players come together in a single location and compete against one another to win prizes. They are very high-profile events in the gambling world and usually attract significant comment and coverage from the gaming community. They are typically televised and often make celebrities of the most successful participants.

1400 Vainstyr Loayreyder, again, this Bill has been widely consulted upon. We have had questions from Hon. Members on that, just to assure them on that matter – indeed all Members of Tynwald have been consulted, as a matter of interest, the industry and Government Departments, etc. No adverse comments have come back, and in fact one of the largest members of this particular industry here has made a call for us to try this initiative. We are responding to that in a flexible and manageable manner, as outlined through the clauses stages, Vainstyr Loayreyder.

1405 I would like to thank the staff involved, the Treasury have helped me, with regard to placing this before the House and again, for my persistent, and often insistent questioning on the different clauses. Special thanks must go to Mark Rutherford on the Gambling Supervision Commission for that.

1410 Sir, I beg to move the Third Reading.

The Speaker: Mr Teare.

1415 **Mr Teare:** Thank you, Mr Speaker.

I beg to second and to reserve my remarks, sir.

The Speaker: I put the motion that the Casino (Amendment) Bill 2012 be read for the third time. Those in favour, say aye; against, no. The ayes have it.

A division was called for and electronic voting resulted as follows:

FOR	AGAINST
Mr Quirk	Mr Anderson
Mr Bell	
Mr Singer	
Mr Quayle	
Mr Teare	
Mr Cannan	
Mr Cregeen	
Mr Houghton	
Mr Henderson	
Mrs Beecroft	
Mr Robertshaw	
Mr Shimmin	
Mr Corkish	
Mr Cretney	
Mr Skelly	
Mr Gawne	
The Speaker	

1420 **The Speaker:** With 17 votes for, 1 vote against, the motion therefore carries.

Hon. Members, that brings us to the end of business before the House today. The House will now stand adjourned till the next sitting, to take place at 10.30 a.m. on 17th April in Tynwald Court. However, I would remind Hon. Members that a group photograph of the Keys is scheduled for 10.15 on that day in this Chamber.

1425

The House adjourned at 11.35 a.m.