

**Moneylenders (Amendment) Bill 2012**  
**Third Reading approved**

5.1. Mr Henderson to move:

*That the Moneylenders (Amendment) Bill 2012 be read the third time.*

**The Deputy Speaker:** We move now to Item 5, Bill for Third Reading: the Moneylenders (Amendment) Bill 2012.

I call upon the mover, Mr Henderson.

**Mr Henderson:** Gura mie eu, Lhiass-loayreyder.

This Bill is the Moneylenders (Amendment) Bill 2012 and is being promoted by the Treasury on behalf of the Office of Fair Trading.

In 1991, the Moneylenders Act was introduced to regulate consumer borrowing in the Isle of Man and aimed to protect consumers from unscrupulous lenders. The scope of the legislation as enacted was far wider than was originally intended. All lending of any type has the potential to fall within the definition of carrying on in the Island the business of lending money. The Act does not distinguish between different types of lenders and borrowers. Lending to consumers and that which takes place in the normal course of business receive the same treatment under the Act.

Currently, all persons who wish to lend must either register with the Office of Fair Trading or apply for an exemption from the requirement to register. Lending to and from businesses is an accepted part of the normal business activity that takes place throughout the world on a daily basis. In the Isle of Man, in order to comply with the Act, persons who engage in moneylending of any description must either register or apply for exemption from registration. Registration and an exemption from registration are not mere formalities. Regulations must be made on a case-by-case basis for each person or group of persons wishing to be exempted from the requirement to register under the Act. These regulations must then all be approved by Tynwald. This is a time-consuming distraction to remove lending, that was never intended to be caught by the Act, from the scope of the Act. There is evidence to suggest that unnecessary red tape of this nature acts as a disincentive to doing business in and from the Island.

This Bill will widen the scope of the Office of Fair Trading's powers of retention by regulation. The new powers will enable the Office of Fair Trading to exempt all lending within defined parameters and where it was clearly never intended to fall within the scope of the Act. When whole classes and types of lending could be exempted under this Bill, the regulations to achieve this would still require the approval of Tynwald.

Sir, I beg to move the Third Reading and in doing so, I wish to thank the officers who have assisted in putting this together and certainly for the time they have put up with me asking my many questions to ensure we have full knowledge of the Act. I beg to move, sir.

**The Deputy Speaker:** Mr Teare.

**Mr Teare:** I beg to second and to reserve my remarks, sir.

**The Deputy Speaker:** Hon. Members, the Bill for Third Reading, the Moneylenders (Amendment) Bill 2012. All those in favour, please say aye; all those against, no. The ayes have it. The ayes have it.

Hon. Members, that concludes the business of the House. Can I remind you, on behalf of the Minister for Health, that there is a presentation in the Barrool Suite on smoke-free legislation. The Minister for Health looks forward to personally welcoming everybody into the Barrool Suite.

Hon. Members, that concludes the business of the House today and the House will now stand adjourned until the next sitting, which will take place at 10.00 a.m. on 30th October in this Chamber.