



HOUSE OF KEYS OFFICIAL REPORT

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HANSARD

Douglas, Tuesday, 5th February 2013

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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);
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.

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The House adjourned at 11.15 a.m.

House of Keys

The House met at 10.00 a.m.

[MR SPEAKER *in the Chair*]

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

Members: Good morning, Mr Speaker.

5 **The Speaker:** The Chaplain will lead us in prayer.

PRAYERS

The Chaplain of the House of Keys

Leave of absence granted

10 **The Speaker:** Hon. Members, I have given leave of absence today to Mr Shimmin, who is off Island on Department business.

Questions for Oral Answer

15

CHIEF MINISTER

Civil Service final salary pensions Closure to new recruits

20

1.1. The Hon. Member for Onchan (Mr Karran) to ask the Chief Minister:

25 *What his policy is on ending final salary pensions for new recruits to the Civil Service; and if he will make a statement?*

The Speaker: We now turn to Item 1 on the Order Paper, Questions for Oral Answer. I call the Hon. Member for Onchan, Mr Karran.

30

Mr Karran: Vainstyr Loayreyder, I ask the Question standing in my name.

The Speaker: I call on the Chief Minister, Mr Bell to reply.

35

The Chief Minister (Mr Bell): Mr Speaker, the Public Sector Pensions Project included a major review of how best to structure pension benefits for public sector employees. This included full consideration of the existing provision and the implications of closing the schemes to new recruits.

40

The Hon. Member has asked similar questions over a number of years and the explanation has been provided about why closing the scheme to new members would not be a good idea, particularly at this time of considerable financial pressure. It is a basic principle that a pay-as-you-go scheme relies on the contributions paid in by employees to meet the outgoing costs of our ex-public service employees who are now pensioners.

45 The Pension Project came about because the legacy schemes were numerous, complex, costly to administer and the incoming contributions were not meeting all of the outgoing costs. That was the problem we had to find a solution for. Closing the scheme to new members would mean that incoming receipts dwindle and that would further compound the funding problem. Meanwhile, an employer would also have to contribute funds to the new members' defined contribution scheme.

50 With Tynwald approval the reform project introduced a new Unified Scheme on 1st April 2012. Part of that change brought in improved governance arrangements, which include public service pensions being managed by the newly created Public Sector Pensions Authority. The Authority now advises the Council of Ministers on public pension policy. The new scheme, being of modern design, also improved the protections for the taxpayer from rising costs. It includes a cost-sharing mechanism, whereas many of the old schemes did not have that protection.

55 Importantly, under the new governance arrangements going forward, the new scheme will be regularly reviewed to make sure that progress towards bringing the cash flow back under control is achieved as planned. This will take account of continuously changing data, such as membership profiles, workforce planning, actuarial estimates and assumptions, economic fluctuations and many other factors. Professional actuaries advise the Authority in this regard.

60 In pension terms, it is very early days for the new Unified Scheme, but I can reassure Members that the Public Sector Pensions Authority is now proactively managing public sector pensions and will bring forward policy advice to the Council of Ministers as appropriate.

65 So having brought together most of the public service under one scheme to reduce costs and improve fairness, I would not wish to see different rules introduced for one part of the organisation, such as the Civil Service and I would not want to see a divisive policy for new recruits to the wider public service. I certainly would not want to see the current financial position made worse by closing the scheme when it is only 10 months old.

Mr Speaker, I am satisfied the pension offered allowed us to attract professional new groups to run our public services and the costs are being brought under control.

70 **The Speaker:** Supplementary question, Mr Karran.

75 **Mr Karran:** Vainstyr Loayreyder, thanking the Ard-shirveishagh for his reply and understanding the problems he has got with this major problem that we have got, does he not agree that we really do not have any choice but to actually be responsible on this thing and come clean, as far as the public sector pension future liabilities are concerned ó allowing for the fact that basically, what we have got at the moment is a pyramid-selling scheme at the present time, as far as the public sector pensions is concerned, all we are doing is putting up bigger problems for the next administration.

80 **The Speaker:** Chief Minister.

85 **The Chief Minister:** I think Government is being very responsible, Mr Speaker. We have been working on bringing in a new Unified Pension Scheme for six or seven years, I think, when it first started. It has taken a lot of work, a lot of consultation and I think, as the scheme has only just started, it offers us a chance to rebalance this particular area in a positive way. I think we have been very open and transparent and coming clean to everyone about the implications of this and I am confident on the advice that I have received that we are moving in the right direction.

90 **The Speaker:** Hon. Member, Mrs Beecroft.

Mrs Beecroft: Thank you, Mr Speaker.

95 Would the Chief Minister agree that, virtually nobody in the private sector can afford final salary pension schemes any more? Would he not also agree that, going on the path that he is going, he is just saving up debts for the next generation, never mind the next administration and it really does have to be sorted?

The Speaker: Chief Minister.

100 **The Chief Minister:** Mr Speaker, the Hon. Member was not a Member of this House when the work was done to bring these pension arrangements together. I think we had some 15 or 16 different pension schemes going at one time. Over the last six or seven years we have worked hard to bring them into more or less a single unified scheme, which we believe is going to be

financially viable for the future. I think, if the Hon. Member would like to come in to talk to officers, she might get a better understanding of what is being tried.

105

The Speaker: Further supplementary, Mr Karran.

Mr Karran: Vainstyr Loayreyder, would the Ard-shirveishagh not agree that the new scheme that actually was brought in on the Brown administration really was a political fob-off, as far as the really important issue about what we are going to do to make a sustainable pension scheme?

110

The Speaker: Chief Minister.

The Chief Minister: Mr Speaker, the Hon. Member knows perfectly well the amount of work that went in to put this single scheme together over a number of years. We got the best actuarial advice and pensions advice from professionals to devise the scheme for us. It is a scheme which, we are assured, is affordable and will resolve the issues that the Hon. Member is talking about. It is in everybody's interest to make sure that the public sector pensions are affordable and sustainable for all concerned and Government remains committed to that end.

115

120

The Speaker: Supplementary, Mr Houghton.

Mr Houghton: Thank you, Mr Speaker.

Would the Chief Minister like to confirm for this Hon. House that the scheme was not a political fob-off as the Hon. Member states under the Brown administration. He was consulted on every single stage, as it has been progressed and the Public Sector Pensions Authority now bringing forward this new scheme that was heavily consulted upon, is quite, quite different from that of the one in the past.

125

130

The Speaker: Chief Minister.

The Chief Minister: I would agree completely with the Hon. Member, it is disappointing to hear the Member constantly denigrate the work that is done by Government to try and resolve many of these issues. The Hon. Member himself was consulted, along with every Government employee, the unions and everybody involved in this over a number of years before this scheme was finally put together.

135

As I have said, the advice we have had is that this scheme is workable, it is achieving the end that we have all been working towards. It is only 10 months old and I think we have to recognise that it needs time now to prove itself.

140

The Speaker: Mr Anderson.

Mr Anderson: Thank you, Mr Speaker.

Would the Chief Minister agree with me that it would have been useful if the Hon. Member who is asking and querying about this scheme today had attended the presentation that took place this morning, where a lot of his questions would have been answered?

145

A Member: Hear, hear.

150

The Speaker: Chief Minister.

The Chief Minister: Government is trying to be as open and communicative as possible with Members, Mr Speaker. There was a presentation this morning where Members were brought up to speed with the progress being made and I would agree with the Hon. Member's comments.

155

The Speaker: Mrs Beecroft.

Mrs Beecroft: Thank you, Mr Speaker.

Would the Chief Minister clarify when he says it is affordable and sustainable, what is the actual shortfall at the moment, and how many years or what timeframe or is being given to rectify the situation?

160

165 **The Chief Minister:** I do not have those figures with me at the moment, but I am sure had the Hon. Member turned up to the meeting this morning, she would have been given those figures.

The Speaker: Mr Singer.

Mr Singer: My question has been asked.

170 **The Speaker:** Mr Karran, final supplementary.

175 **Mr Karran:** Vainstyr Loayreyder, would the Ard-shirveishagh not agree that when we talk about the growth in the economy, as far as the received affordability of the scheme that came out through the Brown administration, was something in the region of a 7.5% or 8% growth over the next 20 years. Does not even that basic information show how fundamentally flawed we have got these proposals, and does he not think it is about time we came clean with the public outside about this important funding crisis for the future administration now and let us get it out into the public arena?

180 **The Speaker:** The Chief Minister.

185 **The Chief Minister:** I think, Mr Speaker, it is time the Hon. Member for Onchan came clean with the public and gave his support for the scheme which he has supported and knows that this is being developed, at the moment, in a way to respond to the concerns we have all had over the last few years, about the way the public sector pensions were going. The new Public Sector Pensions Authority is there to advise the Council of Ministers, as well as to manage the fund and if the scheme itself needs adjusting at any point of time on the basis of the advice Government gets, then there is plenty of opportunity to revisit it and treat it in the future.

190 It is disappointing, Mr Speaker, that the Hon. Member cannot acknowledge the work that has gone in. It was a huge amount of work to bring 15 or 16 different schemes together into one workable solution, which is fair to everyone concerned. It undermines the work and integrity of those people who have worked so hard to put this together.

195

HEALTH

Chiropractors Bill to regulate

200

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

When a Bill to regulate chiropractors will be introduced?

205

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

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.

Ta mee shirrey kied yn eysht y chur ta fo my ennym. I beg to ask the Question in my name.

210

The Speaker: Mr Anderson to reply.

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

215 As the Hon. Member was advised in a Written Answer to a Question raised in this House in December 2012, officers from the Department are in the process of drawing up proposals for legislation which includes the regulation of chiropractors practising in the Isle of Man, as well as other non-NHS healthcare providers. It is therefore intended that legislation will form part of the new Health Service Bill, which will replace the National Health Service Act 2001 and includes elements such as the regulation of non-NHS professionals, health professionals, which has previously been considered to be outwith the responsibilities of the Department.

220

Notwithstanding this advice, I am pleased, however, to have the opportunity to provide an update on the timetable for the Health Services Bill. There has been a slight delay, but papers were submitted last week for consideration by the Council of Ministers this week. If the proposals are approved and permission is given for the Bill to be drafted as a priority in the Government's

225 legislation programme and subject to the mandatory consultation process, I am hopeful the Bill could be ready for entry into the branches in October this year.

The Speaker: Supplementary, Mr Henderson.

230 **Mr Henderson:** Gura mie eu, Vainstyr Loayreyder.

I thank the Shirveishagh for his Answer. Can he clarify for us, his Department is fully committed to the regulation of chiropractors in the Isle of Man, as a prerequisite, I understand all the other bits and pieces for this legislation, but that is the question?

235 Do we understand that the Bill, or draft thus far, is it drafted, is it ready to go? The Minister has mentioned it has to go for more consultation yet. I was under the impression it had been for consultation, we have got the comment and basically it was ready for CoMin approval and we would have it launched through the branches before the summer recess or this autumn. Could he clarify at what stage as well the construction of the Bill is at?

240 **The Speaker:** Mr Anderson.

The Minister: Thank you.

245 In relation to the first part of the Hon. Member's question, yes, we are totally committed to this and from there it is outside of our control really. We are advised it should not go into another Bill in another Department, so it has come into the National Health Service Bill. My understanding is that it is well drafted, however, and there are certain stages of drafting and it will go out to consultation again, in case there is any tweaking to do, but it is largely drafted now. The Bill will be before the Council of Ministers to go out to further consultation and then hopefully, the timeframe will allow us to get us back to October into this House.

250

EDUCATION AND CHILDREN

Newly qualified teachers DEC policy

255

1.3. The Hon. Member for Douglas North (Mr Henderson) to ask the Minister for Education and Children:

260 *What policy his Department operates to encourage newly qualified teachers (a) to gain employment within the Department's schools; (b) to complete statutory probationary requirements; and (c) to provide supply teaching work?*

265 **The Speaker:** Question 3, Hon. Member, Mr Henderson.

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.

Ta mee shirrey kied yn eysht y chur ta fo my ennym. I beg to ask the Question in my name.

270 **The Speaker:** I call the Minister for Education and Children, Mr Crookall.

The Minister for Education and Children (Mr Crookall): Thank you, Mr Speaker.

275 I would like to thank the Hon. Member for this timely Question, as the recruitment of secondary school teachers, in particular, is a matter of serious and growing concern for the Department and the secondary heads. The market for secondary teachers is highly competitive and the Island is losing out to UK authorities, because we cannot make unconditional job offers to the best candidates we want to recruit. There is a special problem here and my Department has been talking with the Department of Economic Development about ways of resolving it. I am sure that Hon. Members would agree that our priority has to be providing the best quality of education for our young people.

280 To answer the three parts of the Question, Mr Speaker: part (a), provided that they are Manx workers, newly qualified teachers are able to apply for both internally and externally advertised posts. They can, if they so wish, automatically receive e-mail notification of all such vacancies, whether they are presently living on or off Island.

285 In the past two year, 39 newly-qualified teachers have been appointed to either full- or part-time positions within the Department. I think it is worth me stressing at this point that the NQTs appointed to primary schools are invariably Manx workers. However, we face significant challenges in securing sufficient secondary teachers and while we would always give preference to Manx workers where available, we have to cast the recruitment net as wide as possible to ensure secondary schools are fully staffed. Therefore, there is a need to regularly appoint non-Manx workers into secondary posts, as the alternative would be having classes without teachers. I would suggest though, that this does not disadvantage Manx workers who are secondary NQTs, providing they are able to teach subjects where vacancies arise. Obviously it is not possible to appoint a PE specialist, if a vacancy required is, say, a maths teacher.

290 Part (b) in relation to newly qualified teachers completing statutory probation requirements, the Department provides a programme of support for newly qualified teachers completing their induction year. This complies with the statutory guidance in place in England, which requires newly qualified teachers to have a minimum contract of one term before they can begin their induction process. The support offered includes centrally provided training, as well as supervision from an induction tutor with a newly qualified teacher school.

300 Part (c) newly qualified teachers can have their details included on the Department's supply list of teachers. Supply teachers are used on a casual basis, usually to cover teacher absences. As and when supply work becomes available, schools are encouraged to give priority to experienced teachers under retirement age and newly-qualified teachers over those who have retired, but have registered for supply work.

305 Thank you, Mr Speaker.

The Speaker: Mr Henderson, supplementary.

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.

310 I thank the Shirveishagh for his Answer, but could he clarify what his Department is going to do with regard to newly qualified teachers, or maybe circulate the policy for Members afterwards, if he has not got the information with him, in promoting experience for NQTs, so that they do have the best chances here on the Island?

315 I understand the experience argument that he puts forward, but are we doing everything we can to ensure that local folk who wish to return here have a chance to gain experience, either through the system, or certainly could he further clarify on the situation, can they gain that through supply work?

The Speaker: Minister to reply.

320 **The Minister:** It would be wrong of the Department to ask schools to prioritise newly qualified teachers above experienced teachers for teaching vacancies and supply work, as the Department would then be discriminating against those with experience. It should also be pointed out that the supply work is normally for less than a term, hence does not help a newly qualified teacher in undertaking their induction year.

325 However, in the past two years, of the 68 new teachers appointed to either full- or part-time positions, only 29 were experienced teachers. The remainder were all newly qualified teachers. It is vital that the Department continues to manage induction with newly qualified teachers in line with the English statutory guidance, as teachers who complete their induction on the Island are recognised as having done so, if they then choose to work in England. If that link were to be lost, it would be virtually impossible to recruit newly qualified teachers from England to work in the Department's secondary schools, further exacerbating existing recruitment issues in those schools.

I am happy to discuss this with the Hon. Member again and take up any issues he has.

335 **The Speaker:** Hon. Member, Mr Houghton.

Mr Houghton: Mr Speaker, can the Minister inform this House of his Department's policy in relation to those supply teachers, in relation to teachers who have been made redundant and the issuing of supply teachers to cover that post on the same curriculum? Can he explain what his Department's policy is on that matter?

The Speaker: Minister to reply.

345 **The Minister:** Mr Speaker, I have not got that information, but I will be happy to get that information and supply it to Members.

The Speaker: Final supplementary, Mr Henderson.

350 **Mr Henderson:** Gura mie eu, Vainstyr Loayreyder.
Far be it from me to be requesting that we have classes without teachers; what I am seeking from the Minister is clarification, or if he could circulate at a later date ó and I may take him up on his offer ó with regard to what do we do to promote local aspiring talent and ensuring it can come back, without being detrimental to the situation he is talking about? That is what I am seeking: a pro-active commonsense policy on that.

355

The Speaker: Minister to reply.

The Minister: Thank you, Mr Speaker.

360 Every opportunity is made to encourage newly qualified teachers to come back and work in the system, but we have to have a fair system that is available to all under the conditions that we offer.

SOCIAL CARE

365

Two-year tenancy agreements Plans for displaced tenants and older people

1.4-5. The Hon. Member for Douglas North (Mr Henderson) to ask the Minister for Social Care:

370

1.4. Where he will house displaced tenants and their families once they are evicted from their local authority homes under the proposed new two-year tenancy plans?

375

1.5. As part of his proposed new two-year tenancy agreement for all new authority housing applicants if he will set up a programme for providing new accommodation and sheltered housing for older people?

The Speaker: We turn now to Question 4 and with the agreement of the Member, Questions 4 and 5 will be taken together. Hon. Member for Douglas North, Mr Henderson.

380

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.

Ta mee shirrey kied ny feyshtyn y chur ta fo my ennym. I beg to ask the Questions in my name.

385

The Speaker: I call the Minister for Social Care, Mr Robertshaw, please.

The Minister for Social Care (Mr Robertshaw): Thank you, Mr Speaker.

390 The Hon. Member has asked four Questions of my Department today and I propose to answer Questions 4 and 5 together and 6 and 7 together, as the subjects in each pair of Questions are inextricably linked.

395 Firstly, I must stress to all Members of the House and public sector housing tenants, the introduction of a fixed-term tenancy is *not* a tool by which public sector landlords can impose eviction on tenants and I am concerned the Hon. Member may have generated significant fear amongst tenants as a result of the way he has phrased Question 4. (*Interjections*) The purpose of introducing a fixed-term tenancy to the current public sector tenancy is to provide a natural break, when the individual tenant circumstances can be re-evaluated by their public sector landlord.

400 May I take this opportunity to stress that all of the pre-existing tenancy terms within the current weekly tenancy agreement will continue to apply. The only difference is there will be a formal opportunity to review the tenant's circumstances with particular regard to their current housing need and financial eligibility. At that point, the tenancy terms and rental charge can be changed to reflect any alteration in their circumstances and allow the tenant to determine whether other housing options will be more suitable for them into the future. It is not the opportunity for public sector landlords to evict tenants without due cause.

405 This new fixed-term tenancy will apply to new tenants from April 2013, with the first tenancy reviews taking place from April 2015 onwards.

Whilst I cannot pre-empt the findings of the housing review, which I am committed to bring to Tynwald later this year, it is important to realise this ongoing process is working towards identifying significant changes, including alternative housing options within the affordable housing sector. Having expressed some concerns over the phrasing of the Hon. Member's Question, I nonetheless understand the Hon. Member's anxieties on the matter and seek to reassure him that all new tenants accepting a public sector property from April this year will be advised of the duration of the tenancy when they sign up. Prior to the maturing of the first two-year tenancies in April 2015, the outcome of the housing policy review will be in place, and those two elements of the two-year review and the new options available to tenants will fit together.

415 With regard to the second Question, my Department oversees the local housing authority capital programme and has its own housing programme and I can confirm the programme is proposed to deliver 400 housing units across the public sector over the next five years, of which approximately 25% will be sheltered housing. However, the detailed profile of the building programme will be informed by the outcome of the three of the five projects which constitute the second and current part of the housing policy review. I will be addressing these in a little more detail in my Answer to Question 7 posed by the Hon. Member.

Thank you, Mr Speaker.

425 **The Speaker:** Supplementary question, Mr Henderson.

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.

I thank the Shirveishagh for confirming that public sector tenants will not be evicted after two years, but will he confirm for this House that in his public statement, where he has been voicing his concerns with growing waiting lists, in fact, he has linked this initiative as a measure which may bring it down and it is that which has caused the real fear and anxiety in thousands of households across the Island, (**Mr Houghton:** Hear, hear.) bringing uncertainty to those households?

430 Would he further confirm that, in fact, what it has engendered through the media is the demonisation of council house tenants? (**Mr Houghton:** Hear, hear.) It has scared people and would he confirm that most tenants are in fact, hard-working, responsible people that invest in their local authority properties, keeping them up to a very good standard?

The Speaker: Minister to reply.

440 **The Minister:** I have no hesitation whatsoever in agreeing with almost everything the hon. questioner has said in his supplementary question.

Turning to the point about me apparently implying there would be evictions, that was not the intention and I am sure that, in time, when Hon. Members have the opportunity to consider the housing review in its full entity in the autumn, that they will understand the various elements of it as it fits together, because this housing review is desperately needed to ensure that we build more public sector houses, that we provide need for those on the waiting lists and to ensure that those who are capable, in terms of having high income, are provided with alternative opportunities to be housed. There is no question at all that this is about bearing down on anybody. It is about providing a fit-for-purpose, sustainable housing policy for the future, which the Isle of Man at the current time does not enjoy. We face a situation where we have a growing deficiency on public sector housing and unless we deal with that, we are not going to be able to build the houses which are desperately needed for many people on the waiting list.

450 So I hope, in time, people will begin to understand that this is a wholly constructive and progressive process, which has the interests of public sector tenants absolutely at the centre of its concerns, as it does those on the waiting list.

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

460 **Mr Houghton:** Mr Speaker, in relation to the Minister's last answer to my hon. colleague, in that he agrees with everything my hon. colleague said in his supplementary question, (**The Minister:** Most.) does he not think, at the very least, it was politically naive of him and his Department to make such an idiotic statement which implied to everybody across the Island in local authority houses and elsewhere that they were going to be evicted after two years? That was the slant that was put on it.

465 Can I ask, Mr Speaker, also, did he not think of speaking to one or two other Members in this Hon. House about what his plans were to gain some advice as to how he should sell this whole issue if he did not intend to evict people after two years? Can he explain that?

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

The Minister: Mr Speaker, I do not think the Hon. Members are helping the situation at all by constantly referring, suggesting and implying that I have been identifying in any shape or form, or used, that I can recall, the word 'eviction' I am really disappointed in the way they are conducting themselves.

475 This is very important for the future wellbeing of everyone concerned, that we get this right and it is a major issue for the whole of the year. I do not accept that I have made any idiotic statements at all, Mr Speaker.

480 **The Speaker:** Hon. Member for Onchan, Mr Quirk.

Mr Quirk: Thank you, Mr Speaker.

485 Could I ask the Minister regarding the number of housing authorities there is, has he got support from all his housing authorities to progress this particular policy he is trying to promote? Would he not agree with me that if it was not an indication for eviction, short-term tenancies has a meaning?

The Speaker: Minister to reply.

490 **The Minister:** Mr Speaker, the short-term tenancy exists now: it is a week. This is about moving it from a week to two years.

With regard to support, 92.3% of local authorities, in response to the consultation, support the concept of fixed-term tenancies and are happy to co-operate with them in this regard.

495 **The Speaker:** Hon. Member for Douglas East, Mrs Cannell.

Mrs Cannell: Thank you, Mr Speaker.

500 In view of the fact that the Minister said this morning that there is a whole housing policy review which will be unveiled later this year, why did he not wait until he unveiled the results of that housing review? Why has he approached this in such a piecemeal fashion? That is my first question.

505 The second question, Mr Speaker, is this: does he appreciate that, even on the ring-in, the phone-in programme on Manx Radio last week, he was in fact, unable to answer the questions raised? If he could answer them now, it would be helpful, in that if, at the end of the two years a family are reassessed and found to be financially better off than they were two years previously and the Department or the housing authority ask for more rent and the family say they cannot afford it, how will they deal with that situation? Will that family be evicted? The Minister could not answer. Could he answer today?

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

The Minister: Mr Speaker, I do not remember using this word 'evicted' I am not using the word 'evicted' This is all about supporting a sustainable housing policy and as far as the piecemeal issue is concerned, I do not accept that. I explained in my first Answer that the first review of two-year tenancies will come in after this House has considered and, hopefully, accepted the proposals of the housing review policy that comes to the floor in the other place in the autumn, where Members will begin to see this all fits together. But it is totally appropriate that if the first review is going to take place after the acceptance of the policy review that we announce that element of it as soon as possible, as part of the overall jigsaw puzzle.

520 Turning to the second part of the Hon. Member's question about my answer on the radio, the suggestion was, the inference that she makes, is that we are going to be bearing down on tenants. This is simply *not going to happen*. We will be very careful indeed in the structure of the proposals that we are putting forward that provide options, hopefully significantly more options than tenants currently have and the decision at that two-year point will be that they may wish to stay on a rolling process and most two-year tenants simply roll on from two years to two years without very much notice taken at all.

525

530 The two significant areas for me will be that I have got under consideration are those tenants whose income has risen very significantly on the one hand and on the other hand, I have got a considerable concern about those tenants whose income is reducing and falling into the vulnerability category, because this is all about making sure that vulnerable tenants are properly focused on, which at the current time and under the current regime is not available to us.

The Speaker: Mr Houghton.

535 **Mr Houghton:** Notwithstanding the Minister's answers this morning, playing the matter down, would he give an undertaking right now in relation to the sheer public anxiety for those people living in local authority tenancies, to issue them with a full apology at this time for what he has caused?

540 **Mr Watterson:** You are scaremongering.

The Minister: Mr Speaker, I will not do any such thing. I am perfectly satisfied that, as the matter is better understood, more and more tenants will begin to understand that this is very much in their interests and I am sure that will transpire.

545 **The Speaker:** Mr Henderson.

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.

550 Will the Minister agree, though, that because of his comments in relation to reducing waiting list, this was the nub of the matter that caused the anxiety in the first place? And would he agree that we need to communicate his assurances this morning that this is not the case, as was floated in the public arena, or how the perception was, unwittingly perhaps? Folks need to hear this assurance this morning ó which I am grateful for.

555 Building upon that with the other Questions linked to this, could I ask the Shirveishagh, if we are looking at income and so on in the future and the housing review, is it not better to have some sort of carrot and initiatives at the end of this, where people would feel able to look at options? Currently, would he not agree, there are no options for folk and certainly trying to gain a mortgage, for instance, or a split-equity mortgage at 50 years old is not an option?

560 **The Speaker:** Minister.

The Minister: Mr Speaker, I am terribly grateful for the question to be so supportive and identifying the issues that we face.

565 As far as the waiting list issue is concerned that he has alluded to, I am sure he will agree with me ó and it fits the second part of this question ó if we have some in public sector property that have progressively found themselves in a position where they are earning significant funds, as he says, it is incumbent upon us to provide other options for those individuals, those tenants to move on to other products. That is where we get the opportunity to bring other people in off the waiting list that desperately need housing, because we must not forget the people on the waiting list, any more than we must fail to protect our current tenants.

570 I hope that begins to address that point.

The Speaker: Mr Quirk.

575 **Mr Quirk:** Could the Minister provide the current tenancy that is going to be operated to the Members of the House and could he explain to me, if the options were taken up, who guarantees those options? Is it your Department?

The Speaker: Reply, sir.

580 **The Minister:** Could the Hon. Member ask that question again, please?

Mr Quirk: Would the Member, or the Minister provide us with a copy of the tenancy agreement he is going to introduce? That is one.

585 On the options provision, could the Minister give us a guarantee, then? If the options are going to be guaranteed, is his Department guaranteeing the options?

590 **The Minister:** Mr Speaker, that is a very broad question. We are straying into the whole issue of the housing policy review, which will be the subject of, I am sure, a very considerable debate later in the year. That is when the options will be considered at that stage.

As far as the copy of the tenancy issue is concerned, of course, when it becomes available, I will be happy to provide it, Mr Speaker.

595 **The Speaker:** Mr Karran.

Mr Karran: Vainstyr Loayreyder, does the Shirveishagh not agree, most of us understand his sincerity, as far as what he is wanting to do, but the reality is that what this policy is, is trying to soften up the situation towards trying to use the tenants as the excuse for decades of administrations being in bed, allowing the developers to make the agenda as far as the property situation?

600 Would he not also agree that we have put up proposals for the last decade about part-equity mortgage schemes, protected on planning, which have been thrown out of the window time and time again, in this and other places? Does he not agree the fact is that, whilst I believe his sincerity that he wants a more effective public housing service, this is driven by cost and by not looking at

605 the real issue, as far as a property-owning democracy and about proper affordable housing?

The Speaker: We are widening out now, Minister.

The Minister: Yes, we are, Mr Speaker.

610 The policy we are pursuing complies with the Government's two key issues, which is balancing the books and protecting the vulnerable. I can assure Members that the policies, as they roll out, will do exactly both of those two points.

615 **The Speaker:** Mr Houghton, I think we will make this the last supplementary question.

Mr Houghton: Yes, and I thank you, Mr Speaker.

620 Will the Minister, at least agree to meet with myself and my hon. colleague in North Douglas and any other interested Member, of which I am sure there are a few, in order for him to receive words of wisdom from the political side on this?

The Minister: Mr Speaker, I am always pleased to receive words of wisdom. I am delighted, absolutely delighted.

625

Housing provision First and second-time home buyers

630 1.6-7. The Hon. Member for Douglas North (Mr Henderson) to ask the Minister for Social Care:

1.6. What plans he has for new initiatives to assist people to buy a first or second-time home?

635 *1.7. What new first and second-time buyer properties his Department plans to build; how many units these will include; and what his long-term strategy is on providing adequate housing for the increasing population and especially the elderly?*

The Speaker: We will move on to Question 7, Mr Henderson.

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.

640 Ta mee shirrey kied ny feyshtyn y chur ta fo my ennym. I beg to ask the Questions in my name.

The Speaker: Minister for Social Care.

645 **The Minister for Social Care (Mr Robertshaw):** Thank you, Mr Speaker.

Further to my own response, where I informed the House of the overall numbers containing both the Department's and local authorities' housing programme, I wish to provide one response

to two of the Hon. Member's Questions as they are both closely linked to the outcome of the housing review.

650 Again, Members will be aware that my Department is in the process of a fundamental housing review, which will inform future housing policy across the affordable housing sector. Of the five projects contained within the review, the findings of three of them are crucial to the scale and form of future house-building programmes.

655 The three projects are: (1) housing needs study ó this will inform the Department on the future numbers and types of new housing units required on the Island in future; (2) affordable housing ó this will consider future options for the provision and funding arrangements for first-time buyer or similar housing; (3) older persons' housing, which will consider current and future housing needs for older residents.

660 Whilst I cannot speculate as to the findings of the projects, I can assure Members that the ongoing provision of suitable, good quality, affordable housing is fundamental to our society's wellbeing. Only when we know the housing needs, cost of provision and the scale and type of support needed to make them affordable can we build a programme to meet future needs.

665 **The Speaker:** Mr Henderson, supplementary.

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.

I thank the Shirveishagh for outlining the future plans in respect of what housing is going to be provided in all shapes and forms.

670 Will he agree with me that this is the most viable, commonsense way forward to answer his problems in regard to public sector housing, inasmuch that it offers real, viable and commonsense approaches for anybody within public sector who wishes or has a desire to move onwards, that there is something viable, or a viable option for them in the first place?

675 Would he agree, such as we see Edmund Chadwick Close at Reayrt y Sheear, where there are 16 sheltered housing units, where myself and Mr Houghton worked with Richard Senior on that, it provided the way forward for him? (**Mr Houghton:** Hear, hear.) There was a waiting list there and family homes were freed up and that is the way forward, rather than giving the big stick approach.

The Speaker: Minister.

680 **The Minister:** Mr Speaker, I think I applaud the questioner's comments, except the last bit, where he talks about the big stick. This is not a big stick and I am sorry to see that that is how it is being understood. It is not the intention, I assure Hon. Members.

685 **The Speaker:** Mr Quirk.

Mr Quirk: Could I ask the Minister regarding his plans for the future there, has he identified areas within the Island, which he will be giving a preference to?

690 **The Minister:** Mr Speaker, preference in case of what?

Mr Quirk: Well, we are talking about housing, are we not?

The Minister: That is a very broad question ó

695 **The Speaker:** Can I ask the questioner to be more specific? Is this in relation to provision of first- and second-time buyer properties?

Mr Quirk: Both, sir, including sheltered. That is three.

700 **The Speaker:** Minister.

The Minister: Mr Speaker, this will all come out in the housing review and I look forward to engaging with that Member as the process goes forward.

705

Two-year tenancy agreements
Legal advice

710 1.8 The Hon. Member for Douglas North (Mr Houghton) to ask the Minister for Social Care:
Whether he received legal advice before his Department announced its policy for local authority tenancies to be reviewed every two years; and if so, what legal advice he received?

715 **The Speaker:** Question 8, Mr Houghton, please.

Mr Houghton: I beg leave to ask the Question standing in my name.

The Speaker: Minister for Social Care.

720 **The Minister for Social Care (Mr Robertshaw):** Mr Speaker, thank you very much.
Yes, the Department has received legal advice. The common tenancy agreement was approved by Tynwald in March 2006 for use by all public sector housing providers. To confirm, this is a standard weekly tenancy; it is not a tenancy for life. As the Hon. Member has indicated, for the avoidance of doubt and to ensure best use of limited public resources, from April 2013 all new
725 tenancies will be limited to two years, at which point they will be subject to review. It is common practice for tenancies to have an end date or prescribed term, as is the case for the majority in the private rented sector. The existing terms of the common tenancy, one-week agreement will remain the same.

730 My Department will continue to work with local housing authorities to ensure an equitable and consistent review mechanism is applied to all fixed-term tenancies across the sector from April 2015, when the first reviews will take place.

735 In closing, it is perhaps worth noting that, as part of the consultation process, my Department did address the matter of the terms of a tenancy, including fixed-term tenancies. Support for limited-term tenancies was overwhelming in the response. General support was 84.5% and as I have already said, from local authorities the support was 92.3%.

The Speaker: Mr Houghton.

740 **Mr Houghton:** Mr Speaker, I would be grateful if the Minister would circulate the legal advice that he says he has received on this matter for Hon. Members. Also, if he would comment on the fact that his uniform policy that is adopted by all local authorities, how can he impose that policy on a repossession without the court's agreement, or the court's approval?

745 **The Speaker:** Minister.

The Minister: Mr Speaker, thank you.

The second part, I am in agreement with insofar as no eviction would take place without absolute good reason, as is the case now. Nothing would change there at all. We would just move from a weekly, to a two-yearly review, effectively.

750 The first part of his question, the issue of legal advice: the housing professionals in my Department are engaged in the issue of housing management and policy and strategy and are in constant discussion with our legal advisers. I am perfectly happy to circulate to Members how exactly the legality of the situation works. I will do that with pleasure.

755 **The Speaker:** Mr Houghton, final supplementary.

Mr Houghton: Mr Speaker, I would be grateful if the Minister would circulate the legal advice, as published by, I assume, the Attorney General on this matter, not his interpretation of it.

760 Also, in the case of a local authority who are minded to keep their tenants in place, rather than secure an eviction in the way and the policy which is determined by the Department, what will the Minister's comments be if local authorities refuse to honour the Department's commitment in order to have people evicted in those occasions that he has already discussed this morning?

765 **The Speaker:** Reply sir.

770 **The Minister:** Mr Speaker, I am so sorry that the Member continues to be so confrontational (A Member: Hear, hear.) in his questioning. It is unhelpful. I will not have any difference placed between myself and the local authorities at a time I am deeply engaged in discussions with them about the way forward and their increasingly important role, as it will unfold. So I do not want to go any further there. I think there is no need to and as far as legal advice is concerned, I stand by my previous statement.

The Speaker: Mr Quirk.

775 **Mr Quirk:** Would the Minister not agree with me that the tenancy agreement is with the local authority and not with him (Mr Houghton: Hear, hear.) or his Department? Therefore, the legal obligation is with the local authorities.

780 **Mr Houghton:** That is right.

Mr Quirk: I appreciate the Minister has got housing stock of his own. There he would have rights on, but would he not agree with me, the agreement is a legal agreement, which is binding between the local authority and the tenant, not himself?

785 **The Speaker:** Mr Robertshaw.

The Minister: Mr Speaker, I need to draw Hon. Members' attention to the Tynwald resolution of 20th October 1999, which reads:

790 *'Tynwald approves for the financial year 2000-01 and subsequent years contributions to expenditure for the provision of housing by local authorities under part IV of the Housing Act 1955 by way of grants in aid or annual contributions amounting to the whole of the deficiency incurred and to be incurred by those authorities;'*

795 ó one such condition being:

'the authority shall implement such all-Island policy for the provision of housing as is determined by the department.'

Thank you.

800 **The Speaker:** Mrs Cannell, Member for East Douglas.

Mrs Cannell: Thank you, Mr Speaker.

805 Can the Hon. Minister confirm that all tenants will continue to be protected under the Landlord and Tenant Act 1976. If not, is he proposing, or is he going to seek a change to that legislation to give the flexibility he is talking about this morning in terms of delivering this radical new policy?

The Speaker: Minister.

810 **The Minister:** Whilst there is currently no legal provision for shared policies, until such time as the amendment of schedule 3 of the Housing (Miscellaneous Provisions) Act 1976 comes into operation, with the provisions of part 3 of the Housing (Miscellaneous Provisions) Act 2011, the payment of all housing deficiencies is subject to the adherence to the conditions of the Tynwald resolution I have just mentioned.

815 **The Speaker:** I will make this the last supplementary, Mr Karran.

820 **Mr Karran:** Would the Shirveishagh not agree that not all local authorities' housing is in subsidy to the Department, the likes of Onchan has got no deficiency at the present time and actually is in surplus, from what I believe from my local authority?

825 Does he not also agree that the concern that we have isí We understand things are going to change, we are in hard times, we have had boom years and we have had no real audit on the executive, as far as this in the previous administration; but does he not agree that this is being led, not on the basis of social need, but this is being led once again, as an accountancy exercise? That is what worries people about this, that we are seeing a situation where we are developing housing on the basis of accountancy and not on the basis of what I think he sincerely believes, as far as social need is concerned.

The Speaker: Minister.

830 **The Minister:** Mr Speaker, there are two points there. As far as the deficiency issue is concerned, you can take a snapshot at any given moment in time and decide what a particular authority's deficiency is, or is not; but I bring him back to the point I made earlier that the important issue here is to ensure that we grow the public sector stock, that we have the funding, that we have the sustainability.

835 It may very well be in the future that the authority in Onchan decide there is a need for greater provision of new public-sector housing. At that stage, it is a possibility that a deficiency may arise, in the sense there would need to be a central Government contribution to the arrangement and it is making sure that we have got a sustainable arrangement in place with the authorities around the Island that is at the heart of this.

840 To deal with the second issue about cost, it is about cost, but it is cost leading to delivery of services to people who need it. I do not think I really need to say any more than that, Mr Speaker.

The Speaker: Hon. Members that completes Questions for Oral Answer.
There is one Question for Written Answer. The reply will be distributed.

845

Question for Written Answer

850

EDUCATION AND CHILDREN

Noble's Hall

Rent charged; future plans

855 2.1 The Hon. Member for Onchan (Mr Hall) to ask the Minister for Education and Children:

What rent is charged for use of Noble's Hall by the family library; and what options are envisaged for the continuing use of Noble's Hall after the current third sector arrangement ceases?

860

Answer: The rent charged for Noble's Hall is £50 per annum. This level of charge was agreed between the Minister for Education and Children and the Family Library Ltd (part of Manx Educational and Community Foundation Ltd). The intention of this was to help the Family Library and Mobile Library Services to be continued, initially for a three-year period, without using revenue budget. During the third year of the arrangement, the situation will be reviewed.

865

870

Orders of the Day

BILL FOR FIRST READING

875

Flood Risk Management Bill 2013

The Speaker: We turn now to Item 3, Bill for First Reading and I call on the Secretary of the House.

880

The Secretary: Bill for First Reading, Flood Risk Management Bill 2013, Member in charge, Mr Houghton.

The Speaker: Thank you.

885

BILL FOR THIRD READING

890

Children and Young Persons (Amendment) Bill 2012 Third Reading approved

4.1. Mr Crookall to move:

895

That the Children and Young Persons (Amendment) Bill 2012 be read the third time.

The Speaker: Item 4, Bill for Third Reading, Children and Young Persons (Amendment) Bill and I call on the mover, Mr Crookall.

900

Mr Crookall: Thank you, Mr Speaker.

I would like to thank Hon. Members for allowing this Bill to progress so far and supporting it on its way.

The amendment to the Children and Young Persons Act 2001 has been drawn up after consultation with the relevant Departments ó that is, the Department of Education and Children, the Department of Social Care, and the Family Court Welfare Office in the courts.

905

As I have previously explained to Members, this amendment seeks to address the anomaly of parental responsibility for the father of a child outside of a marital relationship. Parental responsibility is the basic responsibility a parent has for their child and it is to do with matters such as health care, education and over the discipline and general upbringing and well-being of the child. If a man and woman have a child and they are married, the marital status determines that they both automatically hold parental responsibility and the man does not cease to hold such status if the couple divorce.

910

What the Bill does is to alter the provision so that when an unmarried man and woman have a child and go to the registry to register the birth, the father and the mother are named in that registration. It is that process that will determine that both these individuals hold parental responsibility for the child.

915

Currently, even if both parents are named on the registration birth certificate, the man, if not married, would not have any legal parental responsibility for that child and can have no say in the child's life. The only current options for the unmarried man would be to enter into a parental responsibility agreement with the mother and to lodge it with the courts; or if the mother refuses, the father has to apply to the courts to have the court grant parental responsibility. This can be costly, upsetting, confrontational, and of course is completely avoided if the man is married.

920

Mr Speaker, can I thank my colleague, the Hon. Member for Douglas East, Mrs Cannell, for seconding me throughout this.

925

Mr Speaker, I beg to move that this be read for the third time.

The Speaker: Mrs Cannell.

930

Mrs Cannell: Thank you, Mr Speaker.

I am happy to second and reserve my remarks.

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

Mr Singer: Thank you, Mr Speaker.

935 I do support the Bill; but I wonder if the mover could comment on the situation where sometimes the mother will register the child, but father is not put onto the birth certificate. What rights does that father have? Are any of his rights increased?

The Speaker: I call on the mover to reply, Mr Crookall.

940 **Mr Crookall:** Thank you, Mr Speaker.

I do not have that, I think it is the first time it has been mentioned, but I would imagine that would then become a legal challenge from the father to the mother.

945 **The Speaker:** Hon. Members, I put the question that the Children and Young Persons (Amendment) Bill be read for the third time. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.

950

BILLS FOR CONSIDERATION OF CLAUSES

Fisheries (Amendment) Bill 2012 Clauses considered

955 5.1. Mr Gawne to move.

The Speaker: We turn now to Item 5, Bills for clauses stage: the first of those is the Fisheries (Amendment) Bill 2012. The mover, Mr Gawne, please.

960 **Mr Gawne:** Gura mie eu, Loayreyder.

Clause 1 introduces the Bill.

I therefore move that clause 1 stand part of the Bill.

965 **Mr Watterson:** I beg to second and reserve my remarks.

The Speaker: I put the question that clause 1 do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

Clause 2.

970 **Mr Gawne:** Gura mie eu, Loayreyder.

Clause 2 identifies that this Bill will amend the Fisheries Act 2012.

I move that clause 2 stand part of the Bill.

975 **The Speaker:** Mrs Beecroft.

Mrs Beecroft: Thank you, Mr Speaker.

I beg to second and reserve my remarks.

980 **The Speaker:** The question is that clause 2 do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

Clause 3.

985 **Mr Gawne:** Gura mie eu, Loayreyder.

Clause 3 amends section 28 of the Fisheries Act 2012 by introducing a defence into that section. At present, as drafted, the section of the Act would mean that an individual living next to a river who possesses a snorkel and mask, for example, would be guilty of an offence. (**Mr Watterson:** Hear, hear.) The defence is introduced in order to be compliant with Human Rights.

I move that clause 3 stand part of the Bill.

990 **The Speaker:** Mrs Beecroft.

Mrs Beecroft: I beg to second and reserve my remarks.

995 **The Speaker:** The question is that clause 3 stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
Clause 4.

Mr Gawne: Gura mie eu, Loayreyder.
1000 Clause 4 provides that a Justice of the Peace can make a decision relating to disposing of anything forfeited under the Fisheries Act 2012. This provision does not apply to forfeitures made on conviction in a court of law. Prior to this amendment, the power lay with the Department, which is not considered to be Human Rights compliant.
I move that clause 4 stand part of the Bill.

1005 **The Speaker:** Mrs Beecroft.

Mrs Beecroft: Thank you. I beg to second and reserve my remarks.

1010 **The Speaker:** I put the question that clause 4 do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
Finally, clause 5.

Mr Gawne: Gura mie eu, Loayreyder.
1015 Clause 5 provides that this amending Act will be repealed once the amendments made by it have commenced and the Act has been promulgated.
I move that clause 5 stand part of the Bill.

The Speaker: Mrs Beecroft.

1020 **Mrs Beecroft:** I beg to second and reserve my remarks.

The Speaker: I put the question that clause 5 do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
1025 That completes the clauses stage of the Fisheries (Amendment) Bill.

Bribery Bill 2012 Clauses considered

1030 5.2. Mr Watterson to move.

The Speaker: We turn now to the Bribery Bill, and I call on the mover, Mr Watterson, to move clauses.
1035

Mr Watterson: Thank you, Mr Speaker.
The Second Reading of this Bill took place on 22nd January 2013 and was approved with no division. I am grateful to Hon. Members for their support.
1040 I would like to take and vote on clauses 1 and 2 together, with your permission, Mr Speaker.
Clause 1 gives the short title of the Bill as the Bribery Act 2013.
Clause 2 provides that the Bill will be brought into operation by Appointed Day Order.
It is anticipated that the Bill will be brought into operation within six months of the announcement of Royal Assent to Tynwald.
1045 Mr Speaker, I beg to move that clauses 1 and 2 stand part of the Bill.

The Speaker: Mr Quirk.

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

1050 **The Speaker:** I put the question that clauses 1 and 2 stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
Clause 3, please.

1055 **Mr Watterson:** Mr Speaker, clause 3 provides general interpretation terms for the Bill.
I beg to move that clause 3 stand part of the Bill.

The Speaker: Mr Quirk.

1060 **Mr Quirk:** I beg to second and reserve my remarks, sir.

The Speaker: I put the question that clause 3 stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
Clause 4.

1065 **Mr Watterson:** Mr Spealer, this clause and the subsequent two clauses define in greater detail keywords or terms.

Clause 4 defines the meaning of the term 'relevant function or activity' for the purposes of offences under this legislation. The term includes functions of a public nature, business activity, activity in connection with employment, and any activity performed by or on behalf of a body of persons.

1070 The person performing the function or activity is expected to do so in good faith or impartially. It is immaterial whether the function or activity is performed on or off the Island.

Mr Speaker, I beg to move that clause 4 stand part of the Bill.

1075 **The Speaker:** Mr Quirk.

Mr Quirk: I beg to second, sir.

1080 **The Speaker:** I put the question that clause 4 stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
Clause 5.

1085 **Mr Watterson:** Mr Speaker, clause 5 defines the meaning of the words 'improper performance'. Essentially, this is where the function or activity, for example the process of granting a contract, is not undertaken in good faith or impartially, or it is not granted at all, despite the correct procedures being followed by the applicant.

Mr Speaker, I beg to move that clause 5 stand part of the Bill.

1090 **The Speaker:** Mr Quirk.

Mr Quirk: I beg to second, sir.

1095 **The Speaker:** I put the question that clause 5 stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

Clause 6, please.

1100 **Mr Watterson:** Mr Speaker, clause 6 defines the word 'expectation'. This is the test of what the reasonable person in the Island would expect in relation to the performance of a function or activity. We would not expect to have to pay a bribe in order to get a contract, obtain a job, get a passport or have a service denied to us because we have not paid a bribe.

Unless particular additional action is set out in the written law of another country or territory, the fact that bribe is paid as part of the custom and practice of such a place is irrelevant.

Mr Speaker, I beg to move that clause 6 stand part of the Bill.

1105 **The Speaker:** Mr Quirk.

Mr Quirk: I beg to second, sir.

1110 **The Speaker:** I put the question that clause 6 stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

Clause 7.

Mr Watterson: Mr Speaker, clause 7 sets out the offence of bribing another person. It does not matter if the person bribed or offered the bribe is the same person as the person who is to

1115 perform or who has performed the function or activity; nor does it matter if the advantage offered or promised is made or given directly or via a third party.

Mr Speaker, I beg to move that clause 7 do stand part of the Bill.

The Speaker: Mr Quirk.

1120

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

The Speaker: I put the question that clause 7 do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

1125

Clause 8.

Mr Watterson: Mr Speaker, clause 8 makes it an offence to request, agree to receive or to accept the financial or other advantage for the improper performance of an activity or function. It is also an offence to request, agree to or merely allow another person to undertake the improper performance of the activity or function. The offence is committed irrespective of whether the person knows or believes he or she is performing the function improperly.

1130

Mr Speaker, I beg to move that clause 8 stand part of the Bill.

The Speaker: Mr Quirk.

1135

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

The Speaker: I put the question that clause 8 do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

1140

Clause 9.

Mr Watterson: Mr Speaker, clause 9 makes it an offence to bribe a foreign public official. The person must intend to retain business or gain advantage in the conduct of business. The foreign official may have been influenced either to exercise or to fail to exercise functions or indeed to use his or her position to the company's advantage.

1145

Mr Speaker, I beg to move that clause 9 stand part of the Bill.

The Speaker: Mr Quirk.

1150

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

The Speaker: I put the question that clause 9 do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

1155

Clause 10, sir.

Mr Watterson: Mr Speaker, under clause 10, if a person who is associated with a commercial organisation commits a bribery offence for the benefit of that organisation, the organisation is also guilty of an offence. However, it is a defence for the organisation to show that it had adequate procedures in place, designed to prevent those who work for the organisation either as employees, contractors, agents or self-employed persons, etc from engaging in bribery to obtain, retain or further the business interests of the organisation.

1160

Mr Speaker, I beg to move that clause 10 stand part of the Bill.

The Speaker: Mr Quirk.

1165

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

The Speaker: I put the question that clause 10 do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

1170

Clause 11.

Mr Watterson: Mr Speaker, clause 11 defines the meaning of 'associated person' with regard to commercial organisations referred to in the previous clause. An associated person may be, for example, an employee, agent contract or subsidiary of the organisation.

1175

Mr Speaker, I beg to move that clause 11 do stand part of the Bill.

The Speaker: Mr Quirk.

1180

Mr Quirk: I beg to second, sir.

The Speaker: I put the question that clause 11 do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
Clause 12.

1185

Mr Watterson: Mr Speaker, clause 12 require the Department to produce guidance that relevant commercial organisations, referred to in clause 10, can put in place to prevent bribery. In the event that the Bill passes through the branches and Royal Assent is announced to Tynwald, the Department intends to prepare guidance material and consult with relevant representative parties. Whilst the material is readied, the Act will be brought in by Appointed Day Order and the guidance issued forthwith.

1190

I beg to move that clause 12 stand part of the Bill.

The Speaker: Mr Quirk.

1195

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

The Speaker: I put the question that clause 12 do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
Clause 13.

1200

Mr Watterson: Mr Speaker, if I may, I would like to take these three clauses together and have them moved and voted on together.

These three clauses are current sections 5, 6 and 7 in the Corruption Act 2008, which is repealed by this Bill.

1205

Clause 13 requires public officials on the Island to report attempts made to bribe them, to either a constable or, if procedures have been established, to their employer.

Clause 14 makes it an offence of public official to fail to report bribery as required under clause 13.

1210

Clause 15 makes it an offence to take action harmful to any person, on the grounds that the person has made a disclosure further to clause 13.

Mr Speaker, I beg to move that clauses 13, 14 and 15 do stand part of the Bill.

The Speaker: Mr Quirk.

1215

Mr Quirk: Happy to second, sir, and reserve my remarks.

The Speaker: I put the question that clauses 13, 14 and 15 do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

1220

Clause 16.

Mr Watterson: Mr Speaker, clause 16 ensures the prosecution of offences under this Act can only be brought by or with the consent of the Attorney General.

I beg to move that clause 16 do stand part of the Bill.

1225

The Speaker: Mr Quirk.

Mr Quirk: Happy to second, sir, and reserve my remarks.

1230

The Speaker: I put the question of clause 16. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

Clause 17.

1235

Mr Watterson: Mr Speaker, clause 17 deals with penalties.

I beg to move that this clause stand part of the Bill.

The Speaker: Mr Quirk.

Mr Quirk: Happy to second and reserve my remarks.

1240 **The Speaker:** I put the question that clause 17 stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
Clause 18.

1245 **Mr Watterson:** Mr Speaker, clause 18 provides that if a Manx resident or business does anything off the Island that would constitute an offence under this Act, then they are liable to be investigated and prosecuted as if the offence was committed on the Island.
I beg to move that clause 18 stand part of the Bill.

1250 **The Speaker:** Mr Quirk.

Mr Quirk: I beg to second, sir.

1255 **The Speaker:** I put the question that clause 18 stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
Clause 19.

1260 **Mr Watterson:** Mr Speaker, clause 19 provides a defence for persons exercising any functions of an intelligence service or as part of active service with the armed forces.
I beg to move that clause 19 stand part of the Bill.

The Speaker: Mr Quirk.

Mr Quirk: Happy to second, sir, and reserve my remarks.

1265 **The Speaker:** I put the question that clause 19 stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
Clause 20.

1270 **Mr Watterson:** Mr Speaker, under clause 20, if a body corporate commits an offence under this legislation, other than an offence under clause 10, and the offence was committed with the consent or connivance, or is attributable to the neglect, of an officer of the body corporate, then the officer as well as the body corporate is liable to the penalty provided for the offence.
I beg to move that clause 20 do form part of the Bill.

1275 **The Speaker:** Mr Quirk.

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

1280 **The Speaker:** I put the question that clause 20 stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
Clause 21, sir.

1285 **Mr Watterson:** Mr Speaker, clause 21 provides for an offence under clause 10 to apply to a partnership.
Clause 22 requires proceedings for an offence under this legislation to be instituted within 21 years of the alleged commission of the offence.
I beg to move that clauses 21 and 22 do stand part of the Bill.

1290 **The Speaker:** Mr Quirk.

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

1295 **The Speaker:** I put the question that clauses 21 and 22 together ó so Mr Watterson, you moved 21 and 22 together? (**A Member:** Right.) ó that they do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.
Clause 23, part 5, Mr Watterson.

Mr Watterson: Mr Speaker, I would like to take clauses 23 to 26 together, as they are supplemental and final provisions of the Bill.

1300 Clause 23 applies the Act to civil and public servants.

Clause 24 provides for transitional arrangements with regard to any actions or legal proceedings which may have been commenced under the Corruption Act 2008, prior to this legislation coming into operation.

1305 Clause 25 provides for schedule 1 to make consequential amendments to legislation and also allows for schedule 2 to repeal legislation, such as the Corruption Act, which is no longer required as a result of this Bill coming into effect.

Finally, Mr Speaker, clause 26 provides for the clause, clause 25(1) and (2) and schedules 1 and 2 to expire, once the last of these provisions has been brought into operation.

1310 Mr Speaker, I beg to move that clauses 23 to 26 inclusive stand part of the Bill.

The Speaker: Mr Quirk.

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

1315 **The Speaker:** Hon. Members, I put the question that clauses 23 to 26, including schedules 1 and 2 do stand part of the Bill. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

1320 **Bribery Bill**
Standing Orders suspended to take Third Reading

The Speaker: Mr Watterson.

1325 **Mr Watterson:** Mr Speaker, I would like to try my luck with will of the House, please, and as there have been no concerns raised during the Second Reading or clauses stage, I would like to move the suspension of Standing Orders, in order to take Third Reading at this sitting.

1330 Hon. Members will be aware that I will be absent from the Chamber next week and it is Tynwald the week after that. We will all be aware of Legislative Council's desire for work and we would be happy to satiate their clamour for more legislation to scrutinise.

If Members are so content, I would like to move the suspension of Standing Orders to allow Third Reading to be taken at this sitting.

1335 **The Speaker:** Mr Quirk.

Mr Quirk: I am more than happy to second that.

The Speaker: Sixteen votes are required. We will go straight to a vote.

1340 *Electronic voting resulted as follows:*

FOR	AGAINST
Mr Quirk	None
Mr Hall	
Mr Ronan	
Mr Crookall	
Mr Anderson	
Mr Bell	
Mr Quayle	
Mr Teare	
Mr Cannan	
Mr Cregeen	
Mrs Beecroft	
Mr Robertshaw	
Mr Corkish	
Mr Cretney	
Mr Watterson	
Mr Skelly	
Mr Gawne	
The Speaker	

The Speaker: Eighteen votes for, none against.

1345

Bribery Bill 2012
Third Reading approved

1350

The Speaker: Standing Orders thus having been suspended, I call on Mr Watterson to move.

Mr Watterson: Thank you, Mr Speaker.

1355

I would like to thank Hon. Members for their indulgence. Hon. Members are fully aware of the great store that the Isle of Man places in the Isle of Man's positive reputation. We have heard in clauses just how we plan to promote and protect that reputation.

In closing, I would like to thank my seconder, Mr Quirk, Members of the Department and the officers who have put so much time and work into this.

I beg to move that the Bribery Bill be read for a third time, sir.

1360

The Speaker: Mr Quirk.

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

1365

The Speaker: I put the question that the Bribery Bill be read a third time. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.

Hon. Members, that concludes the business of the House today. The House will now stand adjourned until the next sitting which will take place at 10 o'clock, 12th February in this Chamber.

The House adjourned at 11.15 a.m.