



# HOUSE OF KEYS OFFICIAL REPORT

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# PROCEEDINGS

DAALTYN

HANSARD

**Douglas, Tuesday, 24th June 2014**

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**Present:**

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

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## House of Keys

*The House met at 10.00 a.m.*

[MR SPEAKER *in the Chair*]

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

5 **Members:** Good morning, Mr Speaker.

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

### PRAYERS

*The Chaplain of the House of Keys*

### Leave of absence grated

10 **The President:** Hon. Members, I have given leave of absence to the Hon. Member for Douglas West, Mr Shimmin; and for the latter part of this morning, to Mr Crookall and to the Chief Minister.

### Congratulations to participants in Parish Walk

**The President:** Can I take this opportunity, Hon. Members, to congratulate all those who took part in this year's annual Parish Walk, (**Several Members:** Hear, hear.) including Members of this House indeed.

## 1. Questions for Oral Answer

### CHIEF MINISTER

#### 1.1. Territorial seabeds – Ring-fencing of potential revenue

The Hon. Member for Castletown (Mr Ronan) to ask the Chief Minister:

*What plans he has to ring-fence any potential revenue from the Isle of Man territorial seabeds?*

**The Speaker:** We turn to Questions for Oral Answer.

15 Question 1. I call on the Hon. Member for Castletown, Mr Ronan.

**Mr Ronan:** Thank you, Mr Speaker.

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

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

**The Chief Minister (Mr Bell):** Mr Speaker, it is not known if there will be any revenue from the possible future commercial exploitation of the seabed beneath the Island's territorial sea. Consequently, making plans to ring-fence any potential revenue that may be derived would be premature at this time.

**The Speaker:** Mr Ronan, a supplementary.

**Mr Ronan:** Thank you, Mr Speaker.

30 It may be premature, but I think it is, personally, worth planning for the future. Does the Chief Minister not agree that it is important that we as a nation learn lessons from our near neighbours regarding revenues from seabeds – that putting such revenue over the years in a general reserve fund was a poor decision?

35 **The Speaker:** Chief Minister.

**The Chief Minister:** I cannot really comment on what our near neighbours do, Mr Speaker; but I can assure you that should any deposits be found in the future, I am sure the Government of the day will make the appropriate arrangements.

40 **The Speaker:** Mr Ronan.

**Mr Ronan:** I thank the Chief Minister for that, but does the Chief Minister also feel that we should be prepared to learn lessons from one of Europe's most successful economies – Norway – where being prudent and forward looking has greatly benefited the Norwegian economy and its people, in the past and for many years to come; and ring-fencing this new revenue in two areas and targeting it for the likes of the state pension, essential services and even long-term investment would be a sensible use of this money, *if* it were to arrive, which would also carry the people of the Isle of Man, where extraction of the likes of shale gas and the erection of wind turbines could prove to be controversial?

**The Speaker:** Chief Minister.

**The Chief Minister:** Undoubtedly, Mr Speaker, the government of Norway have made some very prudent decisions over the last few years to make best use of the revenues generated by their huge oil revenues.

I would just repeat though that there is no indication at all at this stage of what, if any, level of oil or gas we have within our territorial waters, and it would be premature to speculate on what the use of that money might be.

60

**1.2. Public service employment –  
Equality of treatment**

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

*What the Council of Ministers' policy is on equality of treatment in the public service when dealing with employment conditions and severance payments?*

**The Speaker:** Question 2. Hon. Member for Onchan, Mr Karran.

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

65 **The Speaker:** Chief Minister to reply.

**The Chief Minister (Mr Bell):** Mr Speaker, as has been said before, where terms and conditions of employment are determined locally, they are agreed between individual employing authorities concerned and recognised trade unions through established collective bargaining arrangements. There is no overarching policy requiring equality of treatment across  
70 central Government employers in respect of terms and conditions of employment. It must be for each individual employer, in negotiation with the relevant trade unions, to agree what is both necessary and appropriate, taking into account relevant factors.

Turning now to the Question: severance payments. In the context of the Hon. Member's  
75 Question, the term 'severance payments' is taken to refer to payments made by central Government employers in relation to either mutually agreed resignation or redundancy.

Where offered, mutually agreed resignation schemes apply equally to staff at all levels and grades and there is no compulsion on any staff member to leave under the provisions of such a  
80 scheme.

With regard to redundancy, payments are, in the main, governed by the provisions of the  
85 Public Sector Compensation Scheme 2013. The Scheme deals with redundancy, whether voluntary or compulsory, and was made by the Public Sector Pensions Authority and approved by Tynwald. It is, of course, for the individual employer to determine when a redundancy situation arises and to follow the requirements of terms and conditions of employment, the provisions of the Scheme itself and employment law. The Scheme also applies equally to staff at all levels and all grades.

**The Speaker:** Mr Karran, a supplementary.

90 **Mr Karran:** Vainstyr Loayreyder, would the Ard-shirveishagh not agree that there is a need to get that message out?

Would the Ard-shirveishagh also agree that the situation needs to be highlighted so that there is parity through the different ranks as far as public servants are concerned when talking about getting rid of staff?  
95

**The Speaker:** Chief Minister.

**The Chief Minister:** I would agree with the Hon. Member, Mr Speaker; and to try and bring a closer alignment between civil servants and public sector workers, we are of course in the  
100 process of establishing a Public Services Commission, which will hopefully in due course bring the terms and conditions between the various aspects of the Government workforce in closer arrangement.

**The Speaker:** Mr Karran.

105 **Mr Karran:** Vainstyr Loayreyder, would the Ard-shirveishagh also agree that the fact is that we need to get the message out that we are all in this together throughout the public service as far as equality is concerned, as far as the criteria is concerned when we need to get rid of staff on capability as well, if we are to make sure that we do not end up with a winter of discontent as far as this Island is concerned?

110 **The Speaker:** Chief Minister.

**The Chief Minister:** I do not quite understand where the 'winter of discontent' is coming from, Mr Speaker, but we certainly do our best to make sure that the true position behind the various redundancy arrangements is made very clear to all staff.

115

### 1.3. Child Benefit reform – Allocation of money saved

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

*How the Government has allocated the money saved as a result of reforming Child Benefit?*

**The Speaker:** Question 3. Hon. Member, Mr Karran.

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

120 **The Speaker:** Again, Chief Minister to reply.

**The Chief Minister (Mr Bell):** Mr Speaker, we are still finalising the details relating to this point, but I hope to be able to announce some more information about a potential increase to the current pre-school education provision for parents before too long.

125 The Department of Education and Children will be publishing further detail about the amount of credit and how to apply for it for September 2014 very shortly.

**The Speaker:** Mr Karran.

130 **Mr Karran:** Vainstyr Loayreyder, I thank the Ard-shirveishagh for that news because it saves me asking a number of other questions about promises made. They are obviously being kept by the Chief Minister as far as that is concerned and he should be applauded.

135 Can the Ard-shirveishagh give us the timescale as far as when and at what levels the credit system is to go up in order to augment one of the more sensible proposals that executive Government has actually brought out to bring about universality for all kids of that age?

**The Speaker:** Chief Minister.

140 **The Chief Minister:** There is clearly a time implication on any announcement on this matter, Mr Speaker, bearing in mind the start of term in September, and so any announcement of changes will need to be finalised in the next week or two, and the announcement will be made very shortly.



TREASURY

**1.4. Tax Based Measurement Method –  
Date for finalisation**

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

*When the Minister expects the Tax Based Measurement Method (TBMM) to be finalised?*

145 **The Speaker:** Question 4. Hon. Member for Douglas South, Mrs Beecroft.

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

150 **The Speaker:** I call on the Minister for the Treasury, Mr Teare.

**The Minister for the Treasury (Mr Teare):** Thank you, Mr Speaker.  
I would repeat the comments made in my Budget speech earlier this year, that I expect to be able to discuss our findings with the UK government this year and to have agreed details of the new arrangement by the time of my next Budget.

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

160 **Mrs Beecroft:** Thank you, Mr Speaker.  
Could the Treasury Minister give some indication of the timing when he is going to have these discussions, and will he be able to announce hopefully the outcome of this before the Budget next year? Given that he is going to have the discussions this year, I presume he is referring to calendar year. I would just be grateful for clarification on that point.

165 **The Speaker:** Treasury Minister.

**The Minister:** I would hope to have our clarification by the end of this year. I would just repeat what I said in my Budget speech in another place in February, and I quote:

*'We are now starting to analyse and understand the huge amount of information that has been submitted. I expect to be able to discuss our findings with the UK government this year and have agreed the details of the new arrangement by the time of my next Budget.'*

We are still on track for that.

170

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

175 **Mr Karran:** Vainstyr Loayreyder, the Shirveishagh Tashtee, the Minister for the Treasury: could you tell us how broad a basis, as far as maybe a working party to look at the implications of this, to start not being on the other foot, as far as this issue is concerned? Will he or does he have a working party looking at it, and who has he got on it?

**The Speaker:** Minister.

180 **The Minister:** As has been said in another place, sir, this matter at the moment is being dealt with by my officers, primarily my Chief Financial Officer and the Collector of Customs and Excise.

We are collating the information. This is a data-driven exercise, and as I said before, we hope to have all the information to hand and to have the matter agreed by the time of the next Budget.

185

**The Speaker:** Mr Karran.

**Mr Karran:** Would the Shirveishagh Tashtee not agree that this is more likely one of the most pivotal and important issues as far as income for Government is concerned? Does he not feel that maybe the time has come, obviously not to put the cards on the table, but he needs to be looking from a broader base, maybe bringing people in from outside the Treasury, in order to work out where the Treasury and the Government of the Isle of Man want to go in the future as far as this issue is concerned?

190

195

**The Speaker:** Mr Teare.

**The Minister:** As I said in the answer to an earlier supplementary, this is a data-driven exercise and we are certainly conscious of the effect on Government revenue; but also one thing that we need to do, if we are to plan with any degree of certainty for the future, is to have this, as it were, locked in so that we have a firm indication of what our future revenue will be in future years.

200

### 1.5. Pinewood shares – Reduction in value of investment

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

*Why the investment in Pinewood shares has reduced in value since the beginning of May?*

205

**The Speaker:** Question 5. Hon. Member, Mrs Beecroft.

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

210

**The Speaker:** Minister for the Treasury, Mr Teare.

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

The Hon. Member for Douglas South is correct in her observation that the share price of Pinewood shares has declined from 462.5p per share at 1st May 2014 to a value of 415p per share as at 2nd June.

215

However, Hon. Members may wish to know that at closing last night, using prices supplied by the London Stock Exchange, the shares were valued at 482p per share.

220

In the Tynwald debate on this matter exactly two years ago, I outlined a number of factors that I believe indicated why our strategy for the future was evidenced by strong commercial fundamentals: the lack of UK studio space, the growing strength of the brand and the possibility of adding asset value based on land use consents.

It appears to date at least that our assessment of the underlying fundamentals was not too far off the mark. The company has increased turnover, utilisation of profitability. Full year's results due on Thursday are awaited with interest.

225

**The Speaker:** Supplementary, Mrs Beecroft.

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

Yes, I acknowledge I am delighted to see that the shares have gone up, but that really proves my point that initially, as said, it was a land speculation in a foreign jurisdiction because we were waiting for the appeal, and the results of that appeal are now apparent.

230 What the Minister has not answered, Mr Speaker, and I would like to ask that question again, is actually what caused the dip in the share prices between those dates? Because that had nothing to do with the appeal – it was purely trading, I presume, but I am sure the Treasury Minister will have that answer.

235 **The Speaker:** Treasury Minister.

**The Minister:** The volatility of all stock market investments is a fact of life. (**A Member:** Hear, hear.) Share prices go up and down, depending on the marketplace, and the marketplace is determined by supply and demand. So it is not to be unexpected that from time to time there will be volatility in share prices.

240 But I have been impressed by the performance of this share. It has certainly been by far and away the best performing share in the Government's portfolio. The Hon. Member says it was a land speculation punt, as it were, when the shares were originally acquired. The views, the reasons for doing this were clearly articulated in another place in June 2012, and it was the decision of Tynwald to make that investment. So the Government brought the opportunity to Tynwald, and Tynwald then made the decision to invest.

245 As we stand at the moment, we have turned an investment of £12½ million into an investment which is currently worth £23 million.

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

**Mr Singer:** Thank you, Mr Speaker.

255 With the information the Hon. Minister has given this morning of the rise in the Pinewood share of over 80%, the successful planning application doubling the size of the studios, the Pinewood connection with Wales, a successful agreement with the studio in Atlanta, Georgia, a similar agreement with China and the possibility of further agreements with important studios worldwide, would the Hon. Minister agree that the investment with Pinewood could be described as astute and fully justified?

260 **The Speaker:** Treasury Minister.

**The Minister:** Certainly the performance to date has been very encouraging, and I would just say this is another illustration of not letting the truth get in the way of a good story.

265 **The Speaker:** Hon. Member for Middle, Mr Quayle.

**Mr Quayle:** Thank you, Mr Speaker.

270 Would the Minister not agree with me that Tynwald's decision to purchase shares in Pinewood Shepperton two years ago was a good strategic investment that is going to return above-average market return onto the taxpayers' investment – we are looking at nearly 100% increase in our share – and really those Members who supported this purchase have been proved to have been astute in making that decision, despite the arguments against it?

275 **The Speaker:** Treasury Minister.

**The Minister:** Certainly to date it has worked out very well. But one of the issues that I would like to say is a quote from President Obama during 2009: 'Weighing a pig does not make it fatter.' (*Laughter*) That is what we have here.

**The Speaker:** Mrs Beecroft.

280

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

Yes, I acknowledge that the shares have gone up by 80%, but when you take the investment in total, which the Treasury Minister often tries to do with me, would he not agree that it actually has to quadruple, not just go up by 80%, before all the moneys are covered, because it is highly unlikely that we are going to get money back off the films, given that we did not off any of the previous investments?

285

**Mr Watterson:** Every silver lining has a cloud! *(Laughter)*

290

**The Speaker:** Treasury Minister.

**The Minister:** It comes back to what I said earlier, sir: do not let the truth get in the way of a good story.

295

**Mrs Beecroft:** It is not; it is the truth.

**The Minister:** The Hon. Member may be interested in the reception of a film that has just been released recently – it has been released in America, it is currently being shown in the Island – *Belle*. In the first few weeks of filming, it has grossed very well – US\$10 million.

300

**Mr Cretney:** It is 'Belle' with an 'e', isn't it? *(Laughter)*

**The Speaker:** Mr Karran.

305

**Mr Karran:** Vainstyr Loayreyder, will the Shirveishagh, in the interests of truth, actually give out the full amount of capital investment the taxpayer has given as far as this deal is concerned? Would he not agree that once again he is playing with figures – *(Interjections)*

310

**Mr Singer:** Oh, come on!

**Mr Karran:** – and the reality of what is happening in the real world, which often does not seem to relate to what is in this Hon. House...?

315

**The Speaker:** The last part is an opinion. It is nothing to do with the Question.  
Mr Teare.

**Mr Teare:** It just goes to show, sir, there is no show without Tom *and* Jerry.  
Basically the full capital details were set out in the proposal brought to Tynwald in June 2012 and we are still on track with that.

320

**The Speaker:** Final supplementary, Mrs Beecroft –

**Mr Karran:** Point of order, Vainstyr Loayreyder!

325

**The Speaker:** Your point of order being, sir?

**Mr Karran:** My point of order is that I would like an answer to my question... *[Inaudible]* investments.

330

**The Speaker:** That is not a point of order, as you well know.  
Mrs Beecroft, a final supplementary.

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

Just a couple of points, (*Interjection Mr Karran*) really, if I may?

335 The Treasury Minister referred to the fact that *Belle* is a success, and all the rest of it, but that was not in his list of films that he actually gave me that money had been invested in from the Media Development Fund, so I would like him to just clarify that. (*Interjection by Mr Karran*)

340 And if I may just refer to an article in *Isle of Man Today* online, where it is from the films that... it is actually a 'homegrown filmmaking community', it says, and she is referring to the fact that... she is thanking the Arts Council and Poker Stars for their continued support, 'without whom we would not have this scheme'. And she goes on: 'I have even had e-mails from students in England and Ireland willing to pay their own way over here to get on board.' (*Interjections*)

**A Member:** Rubbish!

345 **Mrs Beecroft:** There is a question.

**The Speaker:** Hon. Member, this is completely new material being introduced (**Several Members:** Hear, hear.) in this supplementary question. I am going to disallow it, but the first part of the question I will permit.

350 Mr Teare.

**The Minister:** Thank you, sir. (*Interjection*)

355 I have said on numerous occasions, some would say *ad nauseam*, that the Isle of Man invests in a slate of firms and the overall performance is viewed on a group basis. I mentioned *Belle* as an illustration of how the films are doing.

But if the Hon. Member wants something to read, there is a very positive broker's report which has been issued by N+1 Singer on Pinewood Shepperton – (*Laughter and interjections*)

**A Member:** I don't think they are an interest.

360

**The Speaker:** Hon. Member, likewise, I am not going to allow the introduction of new material. (**Mrs Cannell:** Hear, hear.) It is not strictly related in the original Question, so we shall move on.

365 **Several Members:** Hear, hear.

#### 1.6. Deficit estimate for 2013-14 – Reason for publication

The Hon. Member for Douglas West (Mr Thomas) to ask the Minister for the Treasury:

*Why he published a deficit estimate for 2013-14 on 18th February 2014 although he already knew that the actual results for 2013-14 were likely to be better than those used to calculate the published budget estimate?*

**The Speaker:** Question 6. Hon. Member for Douglas West, Mr Thomas.

**Mr Thomas:** Thank you, Mr Speaker.

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

370

**The Speaker:** Minister for the Treasury, Mr Teare.

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

At the time of the presentation of the Budget, Treasury used its best estimate for the likely outturn, and the assumption in the Question is entirely incorrect.

375 Whilst Treasury is aware of actual expenditure, we are not aware of commitments made by Departments for which accruals may have to be made at the end of the financial year. It is only when the Light Blue Book is completed that the actual position becomes known. This is common with all budgetary processes.

Thank you, Mr Speaker.

380

**The Speaker:** Mr Thomas.

**Mr Thomas:** Thank you, Mr Speaker.

A direct quote then from the Minister's statement at the beginning of the Pink Book is that:

'We will deliver a deficit next year of £11 million as planned a year ago, and our actual results for 2012-13, and 2013-14 were, or are likely to be somewhat better than the budget estimates.'

385 It seems to me that that is a statement that they already knew that the estimates would be better than they ended up being.

**The Speaker:** I am not sure what the question is there. **(Two Members: No.)** It is a comment. Mr Teare.

390

**The Minister:** Certainly, sir.

Bearing in mind that the Budget is drafted in October and then firmed up as we go on towards the end of the calendar year, we are forecasting some way ahead. It is always difficult to forecast with any degree of certainty, as I said in my original Answer, when Treasury does not know what provision for accruals has to be made, and that is commitments which have been made by Departments but for which payment has yet to be made. So there are always times when we are forecasting but using our best endeavours.

395

**The Speaker:** Mr Thomas.

400

**Mr Thomas:** Thank you, Mr Speaker.

Did the Minister not know then that Income Tax was already up at that point?

Did he not know that Social Services spending on Children's Social Services and Adult Services was down £5 million at that point?

405 Did he not know things like the fact that the externally invested funds were down and likely to be down £200 million at the end of the year?

Would it not have been helpful to this Court when it was making up its mind **(A Member: House.)** to know that sort of information?

410

**A Member:** This *House*.

**The Speaker:** Minister.

415 **The Minister:** I feel that the figures at the time were the best estimates that we had and I stand by them.

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

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

420 Can I ask the Treasury Minister whether he is able to update the House this morning on the total savings or revenue required to return to a fully balanced budget by 2016? In other words, how far down the road are we and how much further have we got to go?

**The Speaker:** Minister.

425

**The Minister:** I am pleased to confirm – and I thank the Hon. Member for his very helpful question – that we are on target. Whilst I am not overconfident, I feel that we will balance our prime budget by the end of this current financial year.

430 However, as the Hon. Member has alluded to, there is more work still to be done, and this is a point which is picked up by the Hon. Member for West Douglas: the reduction in our free reserves. They will have to be rebuilt too over a period of time. So, whilst part of the heavy lifting has been done, if I can use that expression, there will be more work still to be done after the end of this financial year.

435 **The Speaker:** Mr Cannan.

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

440 Can I ask the Treasury Minister whether he is willing to give us a figure, an *actual* figure, so the public know exactly how far down the route we are and how much further we need to go?

**The Speaker:** Minister.

445 **The Minister:** In terms of capital funding, we will need approximately £30 million, and there are also other revenue reserves as well which will need to be replenished. So between £50 million and maybe £60 million, but it depends on the outturn at that time.

But bearing in mind the very substantial reduction in income, the £200 million which we have been faced with, I think that it is a tremendous achievement on the part of everybody involved that we have now actually broken the back of it.

450 **The Speaker:** Mr Karran.

455 **Mr Karran:** Vainstyr Loayreyder, does the Shirveishagh Tashtee not agree that the remarkable statement from the Hon. Member for West Douglas, Mr Thomas, just highlights once again in this House – and his figures will be better than maybe the figures of yourself – that you are making it up as you go along when it comes down to accountability?

**The Speaker:** A comment more than a question requiring information. I do not suppose you will agree with that, Minister.

460 **The Minister:** Certainly we do not make it up as we go along. We work on the best information that we have at the time.

**Several Members:** Ooh!

465 **The Speaker:** Mr Thomas, a supplementary.

**Mr Thomas:** Thank you, Mr Speaker, and to the Treasury Minister for the information he has provided and the confirmation of some facts.

470 In respect of the £9 million in reduced expenditure, will the Treasury Minister comment on how much of that was increased fees, i.e. stealth tax; how much was reduced services, i.e. the reduction in Social Services; and how much was actually efficiency benefits?

Also, secondly, would the Minister confirm that the value of externally managed funds went down by £200 million?

475 **The Speaker:** Treasury Minister.

**The Minister:** Certainly our externally managed funds have performed well, but the income on those funds has been used to support revenue, and that has been the case for the last few years.

480 Overall, as I said, we are on track, we are on target, and I feel that we will meet the ambitious targets that we have set ourselves.

**The Speaker:** Mrs Beecroft.

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

Could the Treasury Minister just confirm... He referred to the £200 million loss of income. Could he confirm how much of that was from the receipts from VAT? Because I am at a loss of finding this £200 million, this third of our income, in any of the Budget reports or the financial statements from Treasury.

490

**The Speaker:** Minister.

**The Minister:** This has been mentioned on many occasions, that our income has fallen by £200 million. The vast majority of that is VAT.

495

**The Speaker:** Mr Cannan.

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

I am delighted to hear the Minister this morning admit to the proper figure that we need to find. He has quoted £60 million; it could be as much as £70 million. But could I ask the Minister what plans, in terms of the split between savings and revenue raising, there are likely to be for us to attain this figure?

500

**The Speaker:** Minister.

505

**The Minister:** The Hon. Member really needs to refresh his memory. I said £50 million to £60 million. There was no mention of £70 million. With respect to him, we are in a period of low inflation, so I do not know where that higher figure came from.

510 Like everything else, we will review the opportunities as time goes by and see what avenues are available to reduce Government expenditure, but also to deliver services more efficiently and more effectively so that we focus on the consumer – the customer, as it were – rather than how we actually do the services.

It is important that we embrace modern technology, modern ways of doing things, and reap the benefits in terms of cost savings.

515

**The Speaker:** I will take a last supplementary.  
Mrs Beecroft.

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

520 Could the Treasury Minister point me in the right direction of which of the statements, the financial statements, the final accounts or the budget or whatever, actually reflects this loss of £200 million in VAT receipts?



**The Speaker:** Treasury Minister.

525

**The Minister:** This has been mentioned before and I would respectfully suggest that the Hon. Member seems to be very good at doing research.

**1.7. Health Service review –  
Funds set aside re financial implications**

The Hon. Member for Douglas West (Mr Thomas) to ask the Minister for the Treasury:

*Pursuant to his statement on 18th February 2014 that he was proposing this year to establish a new fund to prepare for the financial implications of the current quality review of the Health Service and had set aside more funds in future years so that improvements could be made, what funds have been set aside for this purpose in 2015-16, 2016-17 and 2017-18?*

**The Speaker:** Question 7. The Hon. Member for Douglas West, Mr Thomas.

530

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

**The Speaker:** Minister for Treasury, Mr Teare.

535

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

I thank the Hon. Member for raising this matter once again, following a similar Question in another place just last month.

540

The Hon. Member makes reference to the commentary set out on page 9 of the Isle of Man Budget 2014-15 – the Pink Book – in relation to the establishment of the new Health Inspection Fund, a fund approved by Tynwald as part of the Budget to provide a reserve to meet additional extraordinary costs in connection to healthcare provision.

545

The commentary did state that Treasury had included a provisional sum in Health budgets from 2015-16, recognising that there may well be an ongoing impact from these reviews. However, Hon. Members may also note that the Pink Book sets out the three-year revenue targets, published at page 16, for each Department, which I can confirm did not provide for any target increase for the Department at that stage.

**The Speaker:** Mr Thomas.

550

**Mr Thomas:** Thank you, Mr Speaker, and to the Treasury Minister for confirming at least that typo in the one-page statement in the Pink Book.

555

Will the Minister confirm that the Hospital overspent by £4 million last year on its revenue budget, so therefore it is not surprising that we needed the Hospital fund and it is not surprising that we needed to pretend that capital funds are being used for revenue items and we needed a special statement, a special allocation of money, for wages in the Health Service?

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

560

**The Minister:** Yes, I agree that there are cost pressures coming on Health, but indeed all areas of Government – Social Security, Social Care as well, and Education; everything that we regard as integral to our society.

Whilst the Hon. Member may say it is not surprising that we need the fund, I have to say it was surprising that he voted against the establishment of it.

565 **The Speaker:** Final supplementary, Mr Thomas.

**Mr Thomas:** Thank you, Mr Speaker.  
Really, a comment on that allegation... *[Inaudible]*

570 **The Speaker:** There are no comments allowed, just a question.

**Mr Thomas:** The question then is does the Minister agree that it is best to finance revenue expenditure from revenue and leave funds and capital expenditure for other purposes which are unexpected and are of borrowing in nature?

575 **The Speaker:** Mr Teare.

**Mr Karran:** Take it out of the National Insurance Fund!

580 **The Minister:** Certainly what we have done is we have set up separate reserves for, in effect, chunky items of revenue expenditure.

A good illustration of that is the insurance fund and also the medical indemnity insurance fund, where you cannot actually identify on a year-to-year basis, on a smooth path, as to what the expenditure might be, but certainly over a period of time you realise or you do appreciate that there will be a liability coming in.

585 So I think really that there is an argument to have separate reserves for items which the Hon. Member who has just resumed his seat has said are really revenue items.

## ENVIRONMENT, FOOD AND AGRICULTURE

### 1.8. Pest control – Provision of free services to domestic properties

The Hon. Member for Douglas North (Mr Houghton) to ask the Minister for Environment, Food and Agriculture:

*Whether the Department continues to offer pest control services to domestic properties without charge; and if not, why?*

**The Speaker:** Question 8. Hon. Member for Douglas North, Mr Houghton.

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

**The Speaker:** Minister for Environment, Food and Agriculture, Mr Gawne.

595 **The Minister for Environment, Food and Agriculture (Mr Gawne):** Gura mie eu, Loayreyder.  
I thank the Hon. Member for Douglas North for his Question and I am happy to confirm that, as we see pest control as a key public health service, the Department's policy remains not to charge for pest control services in domestic properties.

600 **The Speaker:** Mr Houghton.

**Mr Houghton:** Thank you, Mr Speaker, and I thank the Minister for that assurance. Can the Minister give the overall assurance that also that policy is unlikely to be changed in the future?

**The Speaker:** Mr Gawne.

605

**The Minister:** Gura mie eu, Loayreyder.  
It depends how far into the future we are looking –

**Mr Houghton:** Five years.

610

**The Minister:** – but certainly for the foreseeable future that is the policy of the Department.

**Mr Houghton:** Thank you.

615

**The Speaker:** Mr Quirk.

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

Can I ask the Minister, regarding public buildings and also schools, can he confirm it is still the policy not to charge schools for pest control services?

620

**The Speaker:** Minister.

**The Minister:** Gura mie eu, Loayreyder.

625

I am not aware that we have changed the policy, so if that was the policy I would imagine that still is the policy.

**The Speaker:** Mr Quirk.

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

630

I was just wondering if maybe he could then look and ask Education why they are getting charged? I have looked at a number of accounts at schools recently and I noticed – unless it is from the private sector of pest control – they have been charged quite an amount of money.

**The Speaker:** Minister.

635

**The Minister:** Gura mie eu, Loayreyder.

I am aware that some Departments have chosen to engage their own pest control staff, and their arrangements for doing that are obviously down to them.

640

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

**Mrs Cannell:** Thank you, Mr Speaker.

645

Can the Minister indicate where in the budget the Division of Environmental Health has been able to find the money to continue to provide this service for domestic properties free of charge in the next financial year?

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

**The Minister:** Gura mie eu, Loayreyder.

650

Across the Department we are squeezing out savings, and there is no single place that you could identify for this but we have been making savings across the Department to continue to try and make the Department more and more efficient, and we will continue to do that.

**INFRASTRUCTURE**

**1.9. Draft Eastern Area Plan –  
Preparation; resource constraints**

The Hon. Member for Douglas West (Mr Thomas) to ask the Minister for Infrastructure:

*What activity is involved in the initial preparation of the draft Eastern Area Plan; and whether available resources are constraining its preparation?*

**The Speaker:** Question 9. Hon. Member for Douglas West, Mr Thomas.

655

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

**The Speaker:** I call on the Minister for Infrastructure, Mr Skelly, to reply.

660

**The Minister for Infrastructure (Mr Skelly):** Gura mie eu, Loayreyder.

I thank the Hon. Member for his Question, as I think it will be helpful to give some background information.

665 There is a need to collate the necessary evidence on which to base the Area Plan for the East. One crucial element of this is an agreement on the number of additional houses required in the east of the Island. This figure can only be derived through the review of the Strategic Plan.

Work is also continuing on preparing the evidence base required to assess possible sites for development in the east. This involves working with others across Government to determine the criteria for the assessment of sites.

670 Once this work is completed and the figures from the Strategic Plan review have been tested through public inquiry, the Department will determine if it is appropriate to issue a call for sites, which would be the first public stage of the preparation of the Area Plan for the East.

675 The Department recognises the importance of the Area Plan for the East in terms of planning for the long-term future of the Isle of Man. We are committed to providing the appropriate framework to support economic growth whilst taking into account the environmental and social considerations.

In respect of resources, the current rate of progress is determined by the statutory processes and the need to consult on changes to housing allocation in the Strategic Plan before moving to a public inquiry. The Department is, however, facing significant budget challenges and it is possible that at some point in the future the resources allocated for this work will need to be reviewed to ensure that priorities are met.

Gura mie eu.

**The Speaker:** Mr Thomas.

685

**Mr Thomas:** Thank you, Mr Speaker, and to the Minister for that comprehensive reply detailing some of the issues involved.

690 Does the Minister agree that the current situation might be perceived by people in society – developers and real people who live in houses and who work – as being unsatisfactory and as holding back sustainable development? (**A Member:** Hear, hear.)

Does the Minister actually have any estimate of the benefit of somehow accelerating the process so that we have a plan before 2020, which is the current schedule, and also what the costs would be of actually adding in extra resources to his Department?

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

**The Minister:** Gura mie eu.

I appreciate the point about trying to accelerate the process, but if we do not have process, we do not have public inquiry and we do not have it tested, then we could fall foul of being legally challenged. What we do want to bring forward is an area plan that will stand up to that test, particularly the legal challenges.

I have stated before that this is a priority and I will confirm once more that, through the Infrastructure and Environment Committee, we have committed to produce the draft plan by 2016; and that is about processes, not resources.

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

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

Could I ask the Minister, regarding the Strategic Plan, would he be prepared to circulate his preparation plan and dates that would include the public inquiry for the Strategic Plan?

Also, when he mentions the Eastern Plan, could I ask too that he circulates the preparation plan for that, so that Members of this House can actually see what dates we are likely to achieve, or not?

Would he, finally, not agree with me that the Strategic Plan is the catalyst to it, and I wonder how much resource you are putting towards it?

**The Speaker:** Minister to reply.

**The Minister:** Thank you.

**The Speaker:** I do not want it to broaden out into discussion on the Strategic Plan –

**The Minister:** It certainly is but –

**The Speaker:** – which is not mentioned on the Paper. *(Interjection by Mr Quirk)*

**The Minister:** It isn't, but I would agree with the Hon. Member for Onchan with regard to the Strategic Plan and the importance of this for the Eastern Plan. That is obviously addressing the housing issue.

I would also point out there are a number of other strands that go along to this particular body of work, the Eastern Area Plan; one being that we are working very closely with DED with regard to the demand for employment sites. We also need to consider an audit for community facilities, and therefore the residential land availability study is another component there.

So there are many different strands that need to feed into the Eastern Area Plan, and I will actually put to Members an outline of the detail of where we will be at certain stages. And do bear in mind that a lot of this is based around public inquiries and our call on whether we need call for sites and so forth.

So, a lot of preparation, a lot of process. It is a priority of the Department, and I just want to reaffirm that point.

**The Speaker:** Hon. Member, Mr Karran.

**Mr Karran:** Vainstyr Loayreyder, would the Shirveishagh not agree that obviously it has got to have good process or it brings us all into disrepute?

But would the Shirveishagh not also agree – allowing for the fact that the Eastern Plan is so important, and allowing for the fact that, as the former Minister for Economic Development was saying, it was only 40% dependent... the construction industry was dependent on the taxpayers' money, which I am led to believe is much higher than that – that there needs to be a special case

made to the Treasury for added resources so they can get that good process done quicker in order that we can get the economy moving, as far as the Island is concerned?

750 The Eastern Plan needs to be given financial priority on the basis that it will actually create income for Government, if there was the money to be put forward as a special case in order to help the economy of the Isle of Man.

**A Member:** Hear, hear.

755

**The Speaker:** Mr Skelly.

**The Minister:** Gura mie eu.

760 I welcome the point the Hon. Member from Onchan states there. We will be evaluating this very, very closely as it goes through the various stages; and should there be resources necessary, I will actually petition for that because this needs to remain a priority.

765 I would just point out once more, with regard to the residential point, that we do need to tackle that issue. When we bring that forward within the Strategic Plan, as part of that we will also be dealing with the Castletown area when we actually have a look at the Eastern Area Plan for residential that feeds into the Strategic Plan.

So it is *very* much a priority of this Department and we will bring that forward as quickly as we can, and I will bring forward an outline detail as stated before.

**The Speaker:** Final supplementary, Mr Thomas.

770

**Mr Thomas:** Thank you, Mr Speaker, and to the Minister for his enthusiasm for that idea.

Would the Minister agree that it would be helpful, when making that case to Treasury, to actually assess the benefits of an accelerated plan; and if he has not already got that number, would he look for help from outside getting that number?

775 Also, it is perfectly normal in other areas to actually contract out the preparation of the plan, (**Mr Quirk:** Hear, hear.) and so there must be a cost for that, which I am hoping his Department can get in the near future. Would the Minister agree that would be good idea?

**The Speaker:** Reply, sir.

780

**The Minister:** Gura mie eu.

785 Yes, the benefit I think is quite clear for all of us, and we understand particularly the state of the construction industry, having just completed a charter where we worked very closely with the construction industry of the Isle of Man to try and get a better understanding of how we can improve the planning process as we go forward.

So we are working very actively with the industry on a wider basis and we will certainly bring forward as quickly as we can.

#### 1.10. Ronaldsway Airport radar – CAA approval; costs

The Hon. Member for Malew and Santon (Mr Cregeen) to ask the Minister for Infrastructure:

*When the new radar at Ronaldsway will be approved by the CAA; how much has been paid to the contractor to date; and how much has been spent on the old radar since Tynwald approved the new radar?*

**The Speaker:** Question 10. Hon. Member for Malew and Santon.

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

790 I beg leave to ask the Question standing in my name.

**The Speaker:** Minister for Infrastructure, Mr Skelly, to reply.

**The Minister for Infrastructure (Mr Skelly):** Gura mie eu, Loayreyder.

795 I thank the Hon. Member for Malew and Santon for this Question, as we have just recently had an audit undertaken by the UK Civil Aviation Authority on 12th to 14th May and there will be a follow-up meeting with the UK Civil Aviation Authority, the radar manufacturer, Selex ES and airport officers on 25th June to review the report and work done in response to this audit. Therefore, strictly in answer to the original Question, as Minister I cannot say when the new radars at Ronaldsway will gain approval, as the approval process is still ongoing.

800 The original Selex ES contract sum is £3,231,074 and the amount paid to date is £2,954,402.

The Department has spent no money on repairs to the existing primary and secondary radar, other than on the routine cyclical maintenance. The existing primary radar was first installed in 1965 and has been periodically refurbished since then. Although it has provided good service, it is clearly coming to the end of its cost-effective life.

805 When it became clear that the secondary radar had to be replaced to meet new standards, the Department decided to tender for the replacement of both the primary and secondary radars, with Selex providing the best tender in the 2010 selection process.

810 The new radar systems improve safety, with additional features available to Air Traffic Control, greater capacity for expansion to provide wider, better coverage and the ability to accept data from developing technology.

Clearly, the Airport is a key part of our strategy to build future economic success for the Island and I am hopeful we will soon be able to switch over entirely to the new system.

815 **The Speaker:** Mr Cregeen, supplementary.

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

In the Tynwald debate of December 2010, it was stated that the radar would lose its approval in 2011. Was that not... incorrect?

820 And also, there have been ongoing costs for the old radar – as the Minister has said, the cyclical maintenance – so that has come at a cost, because the new radar should have replaced it. So could he please give what the cyclical maintenance was?

**The Speaker:** Minister.

825

**The Minister:** Gura mie eu.

Yes, I do believe that the old system criteria, the old licence, had expired. However, we are operating on an extraordinary extension to that licence, and that will be ongoing until we can actually have the new licence approved.

830 Have there been costs? Yes, there have been costs. There have been maintenance costs and I believe over the last three years we have had several breakdowns. As stated, this 1965 system does have issues. There are two major ones that I am aware of and they have cost £80,000 and £100,000 each.

835 **The Speaker:** Mr Cregeen.

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

Will those costs be passed on to the manufacturer of the new radar system, as this was a replacement for the old system and those costs were not accounted for?

840 Can he confirm if any other country in the world has a similar system approved radar?

**The Speaker:** Minister.

**The Minister:** Gura mie eu.

As far as I am aware, no, I am not aware of any other system being approved.

845 On the other point with regard to cost, the final account is not closed and we will be having ongoing discussions with regard to the finality of that.

**The Speaker:** Mr Karran.

850 **Mr Karran:** Would the Shirveishagh not agree, allowing for the dog's abuse that some of us got in this House when discussing these issues some time ago...? Does he not feel that to give assurance to the general public outside... that you will hold the accountants to account?

855 Can you tell this Hon. House the amounts of money that were involved as far as the consultancy is concerned, and is there any action being taken to hold them to account, or even hold the capital projects team to account, who are supposed to protect the interests of the taxpayer?

**The Speaker:** Minister.

860 **The Minister:** Gura mie eu.

I take the point the Hon. Member from Onchan has stated there, about keeping to account. What we have to do here is to ensure that this contract is fulfilled, and the first primary issue here is that we are successful in gaining approval from the UK Civil Aviation Authority. We will not close this account until that is actually done. With regard to the detail within the contract  
865 held to account, I will actually need to refer to the Department and come back on that particular point, but we will not close this until we absolutely have finality on that point.

**The Speaker:** Mr Cregeen.

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

As we debated in another place last week, the Department of Infrastructure was asking for additional funds for advance payment on the radar scheme. Will he ensure that no further moneys are paid? What contingency plans has the Department got in place if the CAA do not approve the system?  
875

**The Speaker:** Minister.

**The Minister:** Gura mie eu.

880 Well, we will certainly be working very closely with the CAA to ensure that we do get this completed. There have been a multitude of issues and I know this has actually... The Hon. Member will be very aware of this, being a previous Member in the Department back in 2010. Those issues have not changed. We have actually contracted to fulfil this.

885 Do we need a contingency? Do we need a different radar system? I do not believe we do. We are very close to finalising this. We would have wanted this earlier – of course we would have wanted this done earlier; however, we do need to complete the process. We do have an existing system: it is ageing, but it is still operational.

890 The big issue here that I think the Hon. Member is trying to put over is about the cost factor, any additional cost. That, we will actually need to concentrate on with the detail within the contract, of which I do not have all the exact details, but I will make a commitment to this House that we will fulfil that to its entirety.

**The Speaker:** Mr Karran.



**Mr Karran:** Vainstyr Loayreyder, would the Shirveishagh find out what we have actually paid out in costs as far as consultancy fees are concerned on this project?

895 Will the Shirveishagh be a new Minister in providing that we actually start holding the whole capital projects system to account and consider looking... as far as the Treasury is concerned for not providing you with the service that you needed? And allowing for the fact that I asked the Question on 10th December 2013, and all we seem to see is more excuses and no-one prepared to hold people to account for the taxpayers' money, as far as spending that money that should have been spent a lot more wisely, what action is he going to take as a new broom within his Department, rather than the excuses that we have heard in this House for the last couple of years?

**The Speaker:** Minister.

905

**The Minister:** Gura mie eu.

I take the point here: it is about holding to account, and we certainly want to do that. We are spending taxpayers' money – fully recognise that point.

I guess both questions... going back to the previous one, there is about £300,000 approximately that still needs to be covered in this particular contract. Tynwald, I believe, in 2010 approved this contract, which was just over £3 million, and we have not fulfilled that contract at this stage. That is why we are keeping the contract to account.

910 Consultancy fees I will have to verify within the detail of the contract, and I will share that as and when I get that available.

915 Gura mie eu.

**The Speaker:** Mr Quirk.

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

920 Can I ask the Minister, regarding his initial report or valuation that was done by the CAA on the 12th or the 14th, has he received any synopsis of that – any letters, any correspondence?

Are we talking about a software problem; are we talking about a hardware problem; or just mechanical problems? What are the issues that the CAA are not giving the accreditation for?

925 **The Speaker:** Minister.

**The Minister:** Gura mie eu.

That meeting was only just literally mid-May and we have a follow-up meeting... Rather, the audit was mid-May and we have a follow-up meeting on 25th June where we will address this.

930 It has been ongoing. There have been an absolute multitude of different issues. This is highly technical. To say it is just a straightforward software or hardware problem... It would be very difficult to define that.

935 What I would say is that this has not been a traditional construction contract. This has really been very technically driven. It has been a design-and-build style project, so it is relatively unique. We are working, obviously, with the supplier. We are working, obviously, with the UK Civil Aviation Authority and the contract administrator. Those are the only bodies involved with this particular project and we are working to resolve that.

940 I am hoping, as I said in my original Answer, that we will actually be able to switch over entirely to the new system, but I would reiterate once more that the old system is still operational. It is ageing, it does have costs involved in maintaining it, but we will not switch over until we actually get that authority and we meet the criteria as set out by the UK Civil Aviation Authority.

**The Speaker:** I will take a last supplementary. Mrs Cannell.

945 **Mrs Cannell:** Thank you, Mr Speaker.  
Some alarming comments made by the Minister this morning.  
Can he advise the House who is actually co-ordinating this project? Who is leading the project? Is it the company that have been contracted? Is it a group of consultants?  
What is the contractual arrangement that the Department has got itself involved in?  
950 Is the Department satisfied that the contract, or contractor – whoever it is that is leading – is performing to expectations; and if they are not, are they not in breach of the contract?  
When did the problems first become known to the Department, bearing in mind it is now four years since Tynwald actually approved the money?  
Finally, Mr Speaker –

955 **The Speaker:** There is a whole list of questions there, (**Mrs Cannell:** There is.) Mrs Cannell. Minister to reply.

**The Minister:** Gura mie eu, Loayreyder.  
960 I just would point out that the Department is leading this. We obviously have contracted to have this radar installed. It is, as I said, a very technically driven project and we will see this through.  
There have been an absolute multitude of issues here, mostly technically related, but we have to overcome those to get the Civil Aviation Authority's approval and we are, I believe, at  
965 the very final stages. We would have liked it done much earlier – I am sure we would have; however, we are going through a process here that we do need to ensure that it is complete before we switch over.  
I reiterate once more that we do have an existing system that is operational. It is ageing and there are some costs involved in maintaining that; however, we are committed to this, to the  
970 long-term installation of this new system that we must have. It goes back to the fact that the old licence has run out and we are running on an extraordinary extension to that licence, and the Civil Aviation Authority is very well aware of that.

## HOME AFFAIRS

### 1.11. Drive Safe Live Long initiative – Promotion by emergency services

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

*Why the Drive Safe Live Long initiative will no longer be promoted by the emergency services?*

**The Speaker:** We turn to Question 11. Hon. Member, Mr Houghton.

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

**The Speaker:** Minister for Home Affairs, Mr Watterson, to reply.

980 **The Minister for Home Affairs (Mr Watterson):** Mr Speaker, it would be incorrect to say that the Drive Safe Live Long initiative is no longer promoted by the emergency services.  
My Department recognises that the initiative has proven to be highly effective in delivering a message – in particular to young drivers, their passengers and drink drivers – about the dangers that their actions may cause, and I believe it would be correct to say that the initiative may well  
985 have saved lives.

However, the Fire and Rescue Service, as with other front-line services within my Department, is facing further cuts in its budget and the Service has therefore to concentrate its remaining resources to deliver what are its statutory obligations, such as responding to fires and inspections of premises.

990 Sadly, this has meant that many difficult decisions have had to be made, and one that is very valuable is preventative partnership work, which is not a statutory obligation, and that cannot be continued to be supported as it was previously.

I should, however, make it clear that the Fire and Rescue Service very much recognises, as I do, the importance of this initiative, and therefore alternative methods are being explored with the Service's partners to see how this valuable programme can continue.

995

**The Speaker:** Mr Houghton.

**Mr Houghton:** Thank you, Mr Speaker.

1000 I thank the Minister for his comprehensive and very much to the point account of what the situation is.

So the situation is, Mr Speaker, if the Minister can verify, that the fire service have pulled their resources out of this campaign; and the campaign is only going to be successful if it is run by the fire service, the Police and the paramedic support, as well as the wonderful support from Mrs Dimelow – does he not agree to that point?

1005

**The Speaker:** Minister.

**The Minister:** Not quite, Mr Speaker. Certainly, the fire brigade do recognise the importance of this and do want to be involved in it. I think the Hon. Member is aware that we have pulled back from other committees and groups that I think he may be in touch with in terms of other Departments, but we are still looking for ways to make sure that the Drive Safe Live Long campaign continues into the future, sir.

1010

1015 **The Speaker:** Mr Houghton.

**Mr Houghton:** Mr Speaker, this is so serious because the point is getting through to the young and it was working extremely well, and now it is starting to fragment. (**The Minister:** No.)

May I ask if the Minister would do one thing: look into it and find a way that he can bring the Fire and Rescue Service back into this project ASAP; and by doing so, to confirm to Members of this House and another House that he would make a statement on this matter to the July sitting of Tynwald? If he could at least do that I would be very grateful.

1020

**The Speaker:** Minister.

1025 **The Minister:** I cannot commit to the fire brigade getting back involved in the committee that I know he is very much involved with, but I certainly commit to making sure that all efforts are made to ensure their continued involvement in the Drive Safe Live Long campaign, sir.

1030 **Mr Houghton:** Statement to Tynwald?

**The Speaker:** Mrs Cannell.

**Mrs Cannell:** Thank you, Mr Speaker.

1035 Can I just ask the Minister: it is clear, is it not, that because of the budgetary constraints and the drive across Government to bring down the cost of providing public services, the fire service

find themselves in this particular position, which must be very uncomfortable for them and for the public?

1040 Can the Minister advise what the cost was to the fire service of actually promoting this very important initiative, and whether or not he is prepared to try and find what it costs to cover the cost going forward so that they can continue to do it? (*Interjection*)

**The Speaker:** Minister.

1045 **The Minister:** Mr Speaker, the critical limitation here on the continuation of this project is manpower, (**Mrs Cannell:** Human resource.) and that has been cut back to 53 full-time equivalents now in the Fire and Rescue Service – so that is the critical dependency here. We do have the lowest cost per operational firefighter compared to many of our neighbouring jurisdictions, but these are the circumstances that we find ourselves in at the moment, sir.

**Suspension of Standing Order 3.5.1(2)  
to complete remaining Oral Question –  
Motion not carried**

1050 **The Speaker:** Hon. Members, we have reached the end of the time allotted for Oral Questions.

I call on Mr Thomas.

1055 **Mr Thomas:** Mr Speaker, I beg to move that Standing Order 3.5.1(2) be suspended to enable the remaining Question for Oral Answer to be taken at this sitting.

**Mr Quirk:** I beg to second, Mr Speaker.

1060 **The Speaker:** Is that agreed, Hon. Members?

**Several Members:** Agreed.

**Several Members:** Divide!

1065 **The Speaker:** Those in favour, say aye; against, no. We will take a vote.

*Electronic voting resulted as follows:*

**FOR**

Mr Anderson  
Mrs Beecroft  
Mr Cannan  
Mrs Cannell  
Mr Cregeen  
Mr Cretney  
Mr Hall  
Mr Henderson  
Mr Houghton  
Mr Karran  
Mr Quayle  
Mr Quirk  
Mr Ronan  
The Speaker  
Mr Thomas

**AGAINST**

Mr Bell  
Mr Crookall  
Mr Gawne  
Mr Robertshaw  
Mr Skelly  
Mr Teare  
Mr Watterson

**The Speaker:** Fifteen for, seven against. Sixteen votes were required to suspend Standing Orders. **(Mrs Cannell: Shame!)**

1070 Hon. Member, can I ask, would you wish your Question to be answered in writing? Obviously, there is no sitting for a while.

Thank you, Hon. Members.

**Mrs Cannell:** Mr Speaker, a point of clarification, please, sir.

1075 Bearing in mind that we are right in the middle of a Question and had not finished asking questions on Question 11, what would your advice be, sir?

**The Speaker:** My advice is that it *had* finished, *(Interjections and laughter)* and I concluded the session.

1080

**A Member:** Hear, hear.

**The Speaker:** We turn to Item 2, Questions for Written Answer; nine of those, and the replies will be distributed.

1085

## 2. Questions for Written Answer

### MANX UTILITIES AUTHORITY

#### 1.12. Sewerage Charge – Special consideration requests granted

The Hon. Member for Douglas West (Mr Thomas) to ask the Chairman of the Manx Utilities Authority:

*Pursuant to his Answer of 10th June, how many of the 18 requests for special consideration in relation to the sewerage charge were granted; and on what basis was each decision made?*

1090 As outlined in my Written Answer to a similar Question on 10th June, the Board has confirmed that for this financial year it will not consider requests for special consideration against the sewerage charge and that all properties which receive a rate demand and are connected directly or indirectly to a public sewer system will be liable for the sewerage charge of £50 per property, as approved by Tynwald.

### TREASURY

#### 2.1. Media Development Fund – Withdrawals from 2007 to date

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

*If he will list the withdrawals from the Media Development Fund in each year from 2007 to date together with the reason for such withdrawals?*

1095 **The Minister for the Treasury (Mr Teare):** The summary of the transactional detail relating to the amounts withdrawn from the Media Development Fund are presented in the Isle of Man Government's detailed Government Accounts each year. However on the basis that the MDF was managed externally by CinemaNX over this period it will be necessary to request the analysis of such detail relating to every withdrawal from CinemaNX Ltd.

I would confirm that the Treasury together with CinemaNX Ltd are prepared to comply with this request which will require some time to process and validate such a report.

Treasury will undertake to provide the information to Members as soon as possible.

#### 2.2. Media Development Fund – Bank interest earned from 2007 to date

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

*How much bank interest was earned on the Media Development Fund in each year from 2007; and whether CinemaNX was able to retain this under the terms of the agreement for its operating expenses?*

1100 **The Minister for the Treasury (Mr Teare):** As has been disclosed many times before, and fully transparent within the Government Annual Accounts, the Public Accounts Committee Report on Government Funds and in Answers to previous Questions, the interest earned on the Media Development Fund account was retained by CinemaNX Ltd.

1105 As stated at point 3.14 of the Standing Committee on Public Accounts 'Report on the Media Development Fund and Public Investment in the Film Industry 1995 to 2009' (PP105/10), CinemaNX retained these amounts as working capital under the terms of their agreement and they were used to provide the means to allow the company to cover pre- production expenses of incoming productions and to invest in strategic media assets.

1110 The bank interest earned on the Media Development Fund and retained by CinemaNX Ltd in the period up to 31st March 2013 totals £6,364,148.

1115 This figure is at variance with the aggregate shown within the published detailed Government accounts for the Media Development Fund over the period 2007-08 to date. This anomaly has only recently been identified by the Treasury which is due to timing differences in the accounting periods of CinemaNX Ltd and Isle of Man Government together with adjustments for accruals and contra accounting entries within the respective sets of accounts.

### **2.3. Media Development Fund – Intellectual property rights to funded films**

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

*Who owns the intellectual property rights, and in what percentage, of each film funded by the Media Development Fund?*

1120 **The Minister for the Treasury (Mr Teare):** In common with most film financiers, the Treasury does not acquire intellectual property (IP). The IP in the vast majority of cases remains with the underlying production company, in order that they can license rights, for economic benefit, to third parties.

However, Treasury will always take security over the IP in the film (be it the film itself or rights in the underlying screenplay) by registering formal charges over the production company as owner of such rights.

1125 In this way, the Treasury secures its investment in the film and its contractual rights to the economic benefit generated by the exploitation of the IP rights. These economic rights and benefits may encompass the right to recoup monies invested, premiums on sums invested and future shares of economic profits or benefits.

1130 Each stream of revenue (be it a tax credit, a distributor minimum guarantee or distribution revenues) is encompassed within the interparty agreement among the financiers and the production company and the collection agreement which appoints an independent agent for the film to collect revenues. These documents, together with the security referred to above are entered into at the time of investment.

### **2.4. Media Development Fund – Valuation of intellectual property rights**

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

*Who values the intellectual property rights; when a valuation last took place; and what the value was of each film's intellectual property rights at the last valuation of each film funded out of the Media Development Fund where Government owns a percentage of the intellectual property rights?*

1135 **The Minister for the Treasury (Mr Teare):** Intellectual property rights are not separately valued on an individual film basis. Each film has a carrying value or written down value relative to the amount invested. Such carrying values are reviewed annually by both Treasury and CinemaNX's auditors.

### **2.5. CinemaNX Ltd – Government entitlement to profit**

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

*Whether the Government was entitled to 20% of the net profit made by CinemaNX Ltd in each of the years from 2007 to 2012: and, if so, what that profit entitlement was and how its correctness was verified?*

1140 **The Minister for the Treasury (Mr Teare):** Under the terms of the CinemaNX Ltd agreement with Treasury, Government was entitled to a 20% profit share, as verified by annual audited accounts of the company. This included a share of any capital profits made by the company. Over the period of that agreement Government received £700,379 as its entitlement of such profit share.

### **2.6. Water ratepayers – Categories in relation to sewerage charge**

The Hon. Member for Douglas West (Mr Thomas) to ask the Minister for the Treasury:

*What categories of water ratepayer have not received a 2014-15 demand for a sewerage charge; and, pursuant to information provided on 10th June, how many water ratepayers fall into each category?*

**The Minister for the Treasury (Mr Teare):** The Sewerage Charge Order 2014 (SD No. 2014/0040) defines whether the occupier or owner of any 'hereditament'<sup>1</sup> is liable to pay the sewerage charge.

1145 The Order does not specify any exclusion: its application is based simply upon whether a property is connected to the public sewer.

In accordance with the categories listed in my response to Written Question 3 asked in the House of Keys on 10th June 2014, water rates demands have been issued as follows:

- 1150
- 22,393 water rates or charges have been levied on properties receiving a rate demand for a commissioners' rate.
  - 8,534 water rates or charges have been levied on properties receiving a rate demand for refuse rates or charges.
  - 28,873 water rates or charges have been levied on properties receiving a rate demand
- 1155 for the church yard rate.



- 38,136 water rates or charges have been levied on properties that received a rate demand including a sewerage charge.

Overall, 44,532 rate demands included water rates or charges.

1160

<sup>1</sup> 'Hereditament' means any land, tenement, mine, hereditament, and property on account of which any person is or may be liable to any rate.

## HEALTH AND SOCIAL CARE

### 2.7. Nurses at bands 7, 8, 9 – Number employed; number holding degrees

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

*How many nurses are employed at Noble's Hospital in each of Bands 7, 8 and 9; and how many in each of the bands have a degree?*

**The Minister for Health and Social Care (Mr Quayle):** I regret that the information the Hon. Member is seeking is not held on a computer database and is therefore unavailable.

To obtain this information would mean contacting, individually, 359 members of staff, for which they may or may not wish to confirm if they hold a degree.

1165

Further, the degree, if held, might not be relevant to the post the member of staff occupies.

Accordingly, I believe that it would be preferable if I could meet with the Hon. Member in order that we might discuss a more cost-efficient route to provide an answer to the concerns that are driving this request.

## POLICY AND REFORM

### 2.8. Children's Services Joint Improvement Plan – Review

The Hon. Member for Douglas West (Mr Thomas) to ask the Minister for Policy and Reform:

*Pursuant to his statement in Tynwald on 20th May on the Children's Services Joint Improvement Plan in response to the Scottish Inspectorate Report, what review is being undertaken in respect of concerns and complaints procedures across Government; and how appeals are included?*

1170

**The Minister for Policy and Reform (Mr Robertshaw):** The Cabinet Office is undertaking a review of complaints and concerns procedures, collating details from Departments, Boards and Offices of their existing processes and procedures. This will include any appeals processes.

**2.9. Poverty data –  
Publication details**

The Hon. Member for Douglas West (Mr Thomas) to ask the Minister for Policy and Reform:

*When, where and how he will publish Isle of Man poverty data?*

**The Minister for Policy and Reform (Mr Robertshaw):** The Manx Joint Strategic Need Assessment was commissioned by the Social Policy and Children’s Committee and is in the final draft stage.

1175

The report will be considered by the Council of Ministers very shortly.

I would like to present the findings of the report to Members during July, at which time I will also distribute copies of the report. That report will contain some of the poverty data to which my hon. colleague, the Member for Douglas West, Mr Thomas is referring.

1180

## Order of the Day

### 3. BILL FOR SECOND READING

#### 3.1. Law Officers Bill 2014 – Second Reading approved

Mr Watterson to move:

*That the Law Officers Bill 2014 be read a second time.*

**The Speaker:** Therefore we move to Item 3, which is Bill for Second Reading. The Law Officers Bill, in the hands of the Hon. Member for Rushen, Mr Watterson and I call on Mr Watterson.

**Mr Watterson:** Thank you, Mr Speaker.

1185 This Bill seeks to make further provision about the discharge of the functions of the Attorney General and for connected purposes. It follows on from the Law Officers Act 2013, which in effect then created the role of Her Majesty's Acting Attorney General.

1190 The Law Officers Bill 2014 aims to create the office of Her Majesty's Solicitor General for the Island and addresses certain details as a consequence of the creation of what will become a second distinct Crown Officer for the Island.

1195 This step is proposed following the recommendations made following a report on the operation of the Attorney General's Chambers conducted by Stephen Wooler CB, formerly Her Majesty's Chief Inspector of the Crown Prosecution Service in the United Kingdom. His report, which became known as the Wooler Report, was published in July 2012 and was circulated to Hon. Members during this Bill's passage through another place. The Report recommended that as this is the case in all other jurisdictions of the British Isles, there should be a second Crown Officer in the Island capable of supporting the whole range of duties of the Attorney General.

1200 I have made mention of the Law Officers Act 2013, which as I have explained, in effect created the role of the Acting Attorney General, as under the provisions of that Act, Mr John Quinn was appointed under Her Majesty's Royal Sign Manual to act as Attorney General in the absence from office of the current Attorney General. His appointment is limited and temporary to that extent, and upon the Attorney General returning to office, he immediately steps down.

1205 The creation of the second Crown Office of Her Majesty's Solicitor General would ensure going forward that there are two separate Crown Officers and so provide support for any absence of either postholder.

Mr Speaker, this Bill has no other purpose than to create the office of Solicitor General and I beg to move that it be read a second time.

1210 **The Speaker:** Hon. Member for Douglas East, Mr Robertshaw.

**Mr Robertshaw:** Thank you, Mr Speaker.  
I beg to second.

1215 **The Speaker:** Hon. Member for Douglas East, Mrs Cannell.

**Mrs Cannell:** Thank you, Mr Speaker.

Can I first of all comment that it is disappointing *again* to find in the explanatory memorandum attached to the Green Bill, at clause 9, the description 'manpower and financial implications'. This is the last sitting of the House of Keys for this legislative year, and it is

1220 disappointing to see that the Department again does not acknowledge equality in this place or in  
its laws for the land – bearing in mind that law officers, presiding officers, attorneys general can  
be both male and female (*Laughter*) (**Mr Watterson:** Or female.) in other jurisdictions. So it is  
disappointing to see that in such an important Bill.

1225 The only other question, apart from expressing my disappointment at this stage of the  
legislative term: can I ask the Minister what the financial implications are. As he is struggling,  
and he has demonstrated this morning, he is struggling and his Divisions are struggling greatly in  
trying to deliver emergency services due to budget constraints, where and how is he going to  
find the additional costs for this particular post, or is it picked up from somewhere else?

Thank you.

1230

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

1235 **Mr Karran:** Vainstyr Loayreyder, I think that we all appreciate that we have come a long way  
in the last couple of decades, as far as recognising normal principles that are obvious in other  
jurisdictions that have more of a proper democracy than we have ever had, and as a senior  
member of this legislature, I am glad to see this Bill here today. I think that we should applaud  
this Bill and we should applaud the fact that these actions have been taken, which I believe has  
made the issue as far as the long battle to get separation of power, as far as the different  
sections, to be realised by many within this House and outside.

1240 I think it is an important factor that I support the Bill, but what I am concerned about the Bill  
is that because it is not going anywhere until October of this year, one of the things I want to do  
after the Second Reading stage is to move it to a committee so it can take evidence over the  
summer recess, to come back to this House.

1245 I believe that this Bill is something that some of us have been arguing about from the  
prosecution side for a long time. One of the battles that some of us older Members, of having  
kids being told, ‘Take a caution – it means nothing’, and all this sort of nonsense. I believe that  
this Bill is an act of maturity and trying to put in the good systems of government... and I have no  
problem with this Bill coming through the clauses and the Third Reading, but what I do have a  
problem with, Vainstyr Loayreyder, is the fact that I think this is maybe the opportunity that we  
1250 should be doing to look at this Bill, as a Law Officers Bill, and bring up other issues that affect  
Law Officers, as far as this Island is concerned.

I feel that one of the things that a select committee could be looking at is the role of the  
Attorney General, and whether the Attorney General should be in this House and not in the  
Upper House. The constitutional changes that have taken place over 30 years from the Governor  
1255 being almost like a feudal lord in this land, with the back-up of the British military... It has  
changed and what I feel is that this Bill needs to go to committee, because I think, whilst sorting  
this principle out about separating the prosecutions, which has been a big problem with a lot of  
people...

1260 When I first stood to be a Member of this House in 1981, the major issue then was birching.  
Most people were on about the issue of the human rights and the birching issue. The issue that  
got me really wound up was the postcode justice. The fact is that this Bill helps to make this  
process more independent.

1265 What I would like to see is this Bill going to committee over the summer to take on other  
aspects that this Bill could actually become a much broader Bill coming back from committee  
and look at the issue of the likes of the Attorney General.

We are changing the Attorney General’s role, and the Attorney General’s role should be  
changed so that it should be in this House. This should be the people who are making the  
primary legislation, and some of us have been very concerned over the years about that role  
being seen as less important.

1270 So I would hope that the mover might consider the issue of whether we should send this Bill  
to committee with it having to report by September, or the end of September, with any

1275 recommendations on this Bill and to broaden it, because the role of the Attorney General now has changed. The role of the Legislative Council has changed from the days of when it was just purely Whitehall cronyism, who controlled that with the Governor, to it now being a revising Chamber. I think that committee could look into that aspect, as far as this is concerned.

*(Interjection)*

1280 I think that Members need to look back at the issue that I raised with the last Law Officers Bill, where I had tried to move amendments to give more flexibility, so that you could have had somebody who was not a member of the Manx Bar acting as an acting Attorney General. I think that that was an own goal by this House, by not taking on that proposal.

So I will support the Second Reading of the Bill, but I believe that this Bill needs to be broadened out so that we would look at the issue of the role of the Attorney General, whether the Attorney General needs to be put into this House, as changing the roles of the Attorney General with prosecutions, so that he comes down here.

1285 It would also give the opportunity, because it is great to see the issue of no matter what people say today, things are much more just, much fairer than they have ever been in here, and I say that as a proud Manxman. But I do feel that it would give an opportunity to see whether we can broaden this Bill, so that we can actually look at the prosecutions system – not to politicise them, but to actually broaden and maybe give a better infrastructure – as I think it would take more than just one officer to make the differences that need to be done.

1290 So I will support the Second Reading of this Bill. I have to say that as far as whether it is ‘manpower’ or ‘personpower’, I know as a sad old bachelor that ‘womenpower’ is much more important than ‘manpower’, as far as the issue is concerned! *(Interjection)*

1295 So I do hope that Members will consider sending it to committee and putting people on it on a serious basis, who will look at it seriously, that it will not be just rubberstamped, because we have only got to look at the 2013 Law Officers Bill. It was an own goal when you did support both on that issue, and I think there are people in this House who could do that.

1300 I hope that Hon. Members will support that. I will support the Second Reading of this Bill, but I do think there is an opportunity there for this Bill, to give it real meaning, real teeth, and the real changes that we need as far as our Law Officers are concerned.

**The Speaker:** Mr Thomas.

**Mr Thomas:** Thank you, Mr Speaker.

1305 Two very brief points about clause 4. The first one is, a bit like Mr Karran, the Member for Onchan, has hinted at, I note how easy it is to change the constitution of the Isle of Man, the 1919 Isle of Man Constitution Act, and I wondered if the Minister bringing this Bill could actually comment on whether I am right to note how easy it is actually to change the constitution.

1310 And the second point is, I wonder whether the Minister could comment on whether I am correct to understand that what we have got here is we have got somebody and an alternative to that role, and if so, is that a valuable precedent for other areas of Government and public service?

**The Speaker:** Hon. Member for Douglas South, Mrs Beecroft.

1315

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

1320 Just really to say that I support what my colleague, Mr Karran said. I think it is eminently sensible for it to go to a committee over the summer where it can be looked at in more detail, particularly the element of the Attorney General sitting in Keys, rather than Legislative Council. As Mr Karran has rightly pointed out, when that position was originally made there, he sat with Government. That is no longer the case. His rightful position, I believe, is down here with Government, with us.

So I am more than happy to support a committee.

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

1325

**Mr Watterson:** Thank you, Mr Speaker.

The first thing I think to mention, in response to Mrs Cannell's comments, is that this is not Department of Home Affairs Bill. I am moving it on behalf of the Council of Ministers in the House of Keys. As you can see by looking on the back cover of the Bill, the owner of the Bill, the Member sponsoring the Bill is Her Majesty's Acting Attorney General. Of course, that person is then responsible for the explanatory memorandum and the wording of it. I can only apologise if that has caused offence.

1330

In terms of the financial implications of the Bill, there are none certainly to the Department of Home Affairs, and indeed there should be none to the Attorney General's Chambers, because this is part of a package to restructure the Attorney General's Chambers. Indeed, it is the intention, subject to the passage of this Bill, to complete that over the summer.

1335

Mr Karran, I agree it is important. In terms of moving it to a committee, I do not necessarily see the advantages of that. I think the only suggestion that has come forward is whether the Attorney General should sit in the House of Keys or in the Legislative Council, and I would suggest that that might be better consulted upon, wider and debated at another time, rather than just by moving this Bill to a committee.

1340

It will have no impact on prosecutions. Along the comments that the Hon. Member made about the way that prosecutions function, this Bill will have no impact on anyway, and I would be loath to support the move to a committee, on the basis that this will delay the implementation of the Wooler Review, which I think the Hon. Member for Onchan did recognise was, to use his words, an act of maturity in the good systems of Government.

1345

With regard to Mr Thomas's comments, the constitution is not subject to special provision on the Isle of Man. That is a common feature of many Westminster systems of government, which we are connected to – although not a model that we follow because, of course, our parliament is older. So a Bill going through Tynwald is the normal way and the way that the constitution has always evolved on the Isle of Man.

1350

In terms of deputies to be recruited and the principles for other public servants, there is certain provision for that in the Interpretation Act. If he wants further details on that, I am happy to talk to him.

1355

So I think that covers all the points. Mrs Beecroft also covered the referral to a committee, and I think I have covered that point.

So I beg to move.

**Mrs Cannell:** Mr Speaker, will the Minister give way?

1360

**Mr Watterson:** With pleasure.

**The Speaker:** Mrs Cannell.

1365

**Mrs Cannell:** He was just about to wind up, Mr Speaker, and I did ask some very important questions which he has not included in his response and that is the costs of this, and where the costs are going to be found.

**A Member:** He's just answered that.

1370

**Mrs Cannell:** It has not been answered. It has not been answered properly. We have not been given a sum of money.

The Minister has given way. I have given him the opportunity to further clarify it for the House. It is important because everything is recorded and it goes on the public record.

1375

Thank you, Mr Speaker.

**The Speaker:** Minister.

1380 **Mr Watterson:** Yes, when the *Hansard* is read back, I think you will find that I did say that the financial implications... There were no additional financial implications of this. It was part of a package of measures in terms of the reorganisation of the Attorney General's Chambers. So there is no new money for this post. It is about the reorganising of the staff and structures within the Attorney General's Chambers.

With that, sir, I beg to move.

1385 **The Speaker:** Now, Hon. Members, the motion is that the Law Officers Bill be read for the second time. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.

**Law Officers Bill 2014 –  
Referral to committee –  
Motion not carried**

**The Speaker:** Mr Karran.

1390 **Mr Karran:** Vainstyr Loayreyder, I wish to move that this Bill, and its clauses, is moved to a committee of three Members of this House, to report on the Law Officers Bill and report by the end of September.

I think it is wrong for the Member to say that it would delay this Bill's progress, because he is not a new Member; he is a Government Minister and he knows that outside of actually moving the suspension of Standing Orders, this Bill is going nowhere until October anyway. I believe that... and unless there is a proposal for that and to recall the Upper House –

1395

**Mr Watterson:** No, we don't need to recall the Upper House.

1400 **Mr Karran:** – then we have a situation where we are not going anywhere with this Bill. I will give way.

**Mr Watterson:** Thank you.

Just on that, Mr Speaker is aware of my intention to suspend Standing Orders. This Bill having commenced in the Upper House, the Upper House would not therefore need to be recalled and if the House of Keys was minded to do so and dealt with the passage of the Bill today, it would mean that the Wooler reforms could take place over the summer. I would be moving that, should his motion for a committee fail, sir.

1405

1410 **The Speaker:** Mr Karran.

**Mr Karran:** Giving way to the Minister... The reality is that really I think we should have been informed that that was the case, as far as that is concerned. It is a bit disappointing that if you were looking towards suspending Standing Orders to do the three Readings today, I would have been much happier to have put amendments to the Bill, as far as the issue is concerned.

1415

I do not want to stand in the way of an effective Prosecution Service in this Island. It is one of the things that people have complained about, when they talk about institutional corruption, as far as this Island is concerned, when it comes to prosecutions, and any moves as far as that, I would fear that... What we should be doing is we should be actually setting up a select committee of three Members in order to take...

1420

1425 The second point that the Hon. Member has at least now said that he wants to suspend Standing Orders for the three Readings... is the issue of the prosecutions. There are issues that might need to be looked at, as far as prosecutions are concerned, and the issues of defending yourself against prosecution as well, which needs to be looked... as a fundamental core principle, as far as the access of justice is concerned.

That is one of the reasons why I would have liked to have seen this Bill go to a select committee, because there are other aspects that I think need to be looked at.

1430 This House needs to remember, and I think that they will find that the previous Law Officers Bill of 2013 will bite them severely later on, because amendments that we wanted to move in that Bill will come back to haunt this jurisdiction. I feel that this Bill should be going to a committee of three Members to report back at the end of September. At the end of the day, this is what a parliamentary assembly actually does.

1435 I believe that the Minister needs to explain why the urgency of why we should suspend Standing Orders in order to bring this in. Does he not fear that the fact is that once again, we will bring in flawed primary legislation that will only look at one small sphere as far as the issue of prosecutions is concerned?

I hope Hon. Members will support the issue of it going to a committee of three Members.

1440 **The Speaker:** Now, before I call Mrs Beecroft, you did say, Mr Karran, you wanted a committee of three Members to report by the end of September. The House of course does not sit in September. I assume you mean the third Tuesday in October – our next sitting.

1445 **Mr Karran:** I wanted it for the September so that I do not hijack Hon. Members in this House, so that the report is ready, so that people can well read the report, well digest the report's finding, so that when it comes back to this House, people have got proper time in order for, in the third week, that people would be able to digest that.

1450 **The Speaker:** Well, Hon. Members, this House has no control over when a committee concludes its work. What it does have a control over is when the committee reports. I just want to be absolutely clear, is it your intention that the committee aim to report at the October sitting of Keys?

**Mr Karran:** Absolutely – but I want the information well in advance of that.  
I move:

1455 *That the clauses of the Law Officers Bill 2014 be referred to a Committee of three Members with powers to take written and oral evidence pursuant to sections 3 and 4 of the Tynwald Proceedings Act 1876, as amended, to consider and to report to the House by October.*

**The Speaker:** Mrs Beecroft.

1460 **Mrs Beecroft:** Thank you, Mr Speaker.  
I am happy to second it going to a committee. I think for the sake of 12 or 13 weeks, which in reality is all it is, it is far more important to get legislation correct, rather than to rush it through and have some flaws in it as we go forward.

1465 **The Speaker:** We have a motion before us. Does anyone else wish to speak?  
Mr Watterson.

**Mr Watterson:** Mr Speaker, I have to say, I do not think a committee is the way forward for this. The idea of when I come back – and I do not want to pre-empt the debate on Standing Orders, but just to give an indication – the idea would be then that a Solicitor General and the



1470 reform of the Attorney General's Chambers could actually happen over this summer, they could  
be put into place so that we would have them in place, (**A Member:** Hear, hear.) so that we  
would have them in place for the next parliamentary session.

I do wonder, in terms of listening to Mr Karran's issues about prosecutions, whether they  
would be outside of the long title of the Bill, in terms of the discharge of the functions of the  
1475 Attorney General. I do not know but I would suggest that what he is proposing is something far  
more fundamental in terms of changes than this Bill is simply designed to achieve, which is  
merely the appointment of the Solicitor General and therefore the progress of the Wooler  
Report's recommendations.

I do not believe that this legislation is flawed. I am happy to go through it and argue each  
1480 point. Should I get to suspend Standing Orders, I would be happy to take it through the clauses,  
and deal with points there.

I am obviously conscious that if this Bill does get hijacked, that will delay the implementation  
of the Wooler recommendations to the next session and beyond, depending on what the  
committee finds.

1485

**The Speaker:** Hon. Member for Douglas West, Mr Thomas.

**Mr Thomas:** Thank you, Mr Speaker.

Can the mover of this Bill share some information to help Members like myself make up their  
1490 minds? Specifically, what is the involved Departments' view of this Bill? What is the view of the  
people involved with the criminal justice modernisation process of this Bill? What has the Law  
Society said about this Bill? What are – ?

**The Speaker:** Hon. Member, we are currently debating whether or not to send the Bill to a  
1495 committee. It is a fairly narrowly focused decision. (**Mrs Cannell:** Hear, hear.) The matters you  
are referring could well be considered by that committee, but it is not the particular debate we  
are having at the moment.

**Mr Thomas:** Mr Speaker though, just for clarity, those questions would help me make up my  
1500 mind whether I think it is necessary and desirable to suspend Standing Orders.

**The Speaker:** I call on the mover –

**Mr Karran:** Would the Minister like to – ?

1505

**Mr Watterson:** Well, yes, if the Hon. Member will give –

**The Speaker:** No, no. Minister, you have the floor. Are you prepared to give way?

1510 **Mr Watterson:** I think Mr Karran was happy to give way, that I might just –

**The Speaker:** Well, yes, and you equally have the opportunity or not to an intervention.

I am treating this – Actually I had called Mr Thomas to make a contribution. The rules of  
debate do not allow a free-for-all. (**Mrs Cannell:** Hear, hear.) If you had been on your feet and  
1515 you had asked these questions by way of inviting the speaker to give way, I would have allowed  
it.

On this occasion, I will permit, in the interests of bringing the matter to a speedy conclusion,  
Mr Watterson.

1520 **Mr Watterson:** I am sorry. I thought Mr Karran was summing up and I was intervening to  
him, so my apologies for misunderstanding.

1525 This only affects the Attorney General's Chambers. There is no impact on the Law Society. This is merely about providing a deputy for the Attorney General, when the Attorney General is unable to act. So in terms of the criminal justice modernisation programme, in terms of other outside stakeholders, they are not really involved in this process, sir.

**The Speaker:** Mr Teare.

1530 **Mr Teare:** Thank you, Mr Speaker.

I am concerned that there could be an unintentional delay here. We have had the Wooler Report in. That does make fairly radical proposals for the restructuring of the legal system in the Isle of Man and the way the judiciary operates, and I feel now that we should actually get on with it.

1535 My concern is that the hon. mover of the motion that it be referred to committee has said that he wants it to report back in October. There is no guarantee, with respect, that that committee will be able to report in October. It will have to take evidence over the summer months and at that October sitting, the report, if it is produced, will be debated and I feel to myself there is a strong argument that we should just move forward to modernise the judicial process. This is part of the process.

1540

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

1545 **Mr Karran:** Vainstyr Loayreyder, I think the issue is, in my opinion, when the Minister for Home Affairs, Rheynn Cooishyn Sthie, the issue is that we have the opportunity to alter the long title of the Bill. It is done often enough when the Government wants to change the long title of the Bill.

When he talks about the different process, I think the problem he has got is that of course, they want different processes, when it comes to all sorts of things, when you are trying to hold them to account as a parliamentary assembly.

1550 We only saw in this House today when we talked about the accountancy process, that we could not get the clear accountancy process that the Hon. Member for South Douglas was looking for.

1555 This is not about hijacking this Bill. I would have been a lot happier if the Minister had given clear defined reasons why we have to take... if we are going to be emotive about it and more factual than hijacking, panic measures – because that is what we are doing today, panic measures – by the suspension of Standing Orders to take the three Readings of this Bill in this House.

1560 That would be a fairer reflection than the panic measures by the Minister. If it was so important, why has it taken until now to have a situation where we are at the last sitting of this House, there will be the Speaker's Lunch coming on...? How you are going to give good scrutiny with no notice to this House about the implications of this House? It really does give the impression to many of us in this House, and outside this House, of the rubberstamp for executive Government.

1565 It is interesting to hear on Radio 4 the other day, that there were complaints about the patronage of the British Prime Minister, which is a fraction of the patronage that we have got over the parliamentary process in this House, where for five years, I was the only –

1570 **The Speaker:** Hon. Member, can you confine the debate to the issue at hand, and your winding up on the question of reference to a committee. (*Interjection*) We are not discussing the British Prime Minister.

**Mr Henderson:** Vote!

1575 **Mr Karran:** The situation is that what we have seen here today is the fact that we are going to... The most sacred trust that we have with our people, Vainstyr Loayreyder, is the trust of dealing with primary legislation. (**Mr Watterson:** Hear, hear.) There are times when we have to bring in stuff on an emergency basis as far as that legislation is concerned. We have had a prosecution system like this, more likely since the early 1960s, as far as this... So all of a sudden, we have a panic measure, a crisis measure, and we are going to now just nod this lot through, 1580 when most Members have not done the detailed research as far as the clauses are concerned, and I think it is wrong.

This House should support the proposal for a select committee and for it to come back so that the recommendations of that select committee are back, so that it is well in advance of the sitting, so that Members are not treated like mushrooms in this Hon. House, and they are actually treated as legislators. 1585

I believe that this House should support my proposal for this to go to a committee. It will not be easy for that committee, but I believe it is the right way and the right process. I have heard nothing from the Minister apart from the usual antics that we are banned from replicating in this Hon. House, about how Members of this House are being treated over the parliamentary process. It should go to a committee. I believe it is wrong if it does not go to a committee, and I think it is an outrage that if it is going to go through three Readings in this House today, it just highlights what I have been saying for the last decade and a half. 1590

**The Speaker:** Now, Hon. Members, the motion is that the Law Officers Bill be referred to a committee of three persons for report by October. Those in favour, please say aye; against, no. The noes have it. 1595

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

**FOR**

Mrs Beecroft  
Mrs Cannell  
Mr Houghton  
Mr Karran  
Mr Thomas

**AGAINST**

Mr Anderson  
Mr Cannan  
Mr Cregeen  
Mr Cretney  
Mr Gawne  
Mr Hall  
Mr Henderson  
Mr Quayle  
Mr Quirk  
Mr Robertshaw  
Mr Ronan  
Mr Singer  
Mr Skelly  
Mr Teare  
The Speaker  
Mr Watterson

**The Speaker:** With 5 votes for, 16 against, the motion therefore fails to carry.

**Law Officers Bill 2014 –  
Suspension of Standing Orders to permit further stages to be taken at this sitting –  
Motion not carried**

**The Speaker:** I call on the Hon. Member, Mr Watterson.

1600

1605 **Mr Watterson:** Mr Speaker, as I mentioned at the Second Reading, this Bill has its genesis in the Wooler Report of 2012, a copy of which has been circulated to Hon. Members. I am informed that it is the intention of the Cabinet Office and Her Majesty's Acting Attorney General to make significant progress in implementing the recommendations of that review over this summer.

In order for this to happen and for the Solicitor General to be appointed, this Bill will need to clear its passage through the Keys today. This is not a step taken lightly as our processes are in place for good reason. However, given the overwhelming support of the Bill at Second Reading and the simple nature of its effect, I would ask the House to suspend Standing Orders in order to allow completion of its passage through the House today.

1610 Mr Speaker, with your leave, I beg to move.

**The Speaker:** I call Mr Robertshaw

1615 **Mr Robertshaw:** I beg to second, Mr Speaker.

1620 **The Speaker:** Just for clarity of the motion before the House is that the Standing Orders be suspended in relation to the progress of the Law Officers Bill 2014 to the extent necessary to permit the clauses and Third Reading stages of the Bill to be taken at this sitting and to allow amendments to the Bill and new clauses to be proposed at this sitting without notice. I have that as correct – that is the motion before the House.

**Mr Watterson:** Yes, sir:

*That Standing Orders be suspended in relation to the progress of the Law Officers Bill 2014 to the extent necessary to permit the clauses and Third Reading stages of the Bill to be taken at this sitting; and to allow amendments to the Bill and new clauses to be proposed at this sitting without notice.*

1625 **The Speaker:** It has been seconded.

Mr Karran.

1630 **Mr Karran:** Vainstyr Loayreyder, I do feel that the Shirveishagh son Cooishyn Sthie, the Minister for Home Affairs... and not wanting to try and be awkward or trying to do anything, but the fact is we need to know *why* they feel it has to be done under these extraordinary circumstances today in order to get it in.

1635 Can the Minister give us a timeline of: is he going out to advertisements, what is he going to do? Does he not feel that he needs to start thinking about the fact that in this parliamentary assembly, he needs to realise that he cannot just depend on the block vote, how it has been for too long in this House, and he needs to clarify why we should suspend Standing Orders to allow this to happen?

Standing Orders are there for good reason. I have to be honest with you, I more likely would have brought some amendments, if I had been given the opportunity of the knowledge that this was coming through at this sitting to do the three Readings.

1640 It is not about hijacking; it is about good process, and that is what my concern is. I think the Minister when replying needs to give a better case than what he has up to now.

**The Speaker:** Hon. Member, Mrs Cannell.

1645 **Mrs Cannell:** Thank you, Mr Speaker.

I cannot support the suspension of Standing Orders to take this Bill any further today. I do not believe that the Minister has actually made a case for the suspension of Standing Orders

1650 today to take all of its Readings so that the Keys deals with it. I doubt very much also whether or not – or he has not said, but when a Bill leaves here, despite the fact it has been promoted by the Acting Attorney General, it usually goes up to the Legislative Council. Or has this been approved by the Legislative Council and come down to the Keys? (**Mr Watterson:** Yes.) (*Interjections*) That is unclear.

**Mr Anderson:** Yes. Very clear.

1655 **Mrs Cannell:** Well, that was made unclear. So the Legislative Council have approved it (**Mr Watterson:** Yes.) and they expect the House to approve it in one morning in the House of Keys? Oh, no, no, no!

1660 It is only in *exceptional* circumstances that I in the last 18 years have ever supported suspension of Standing Orders to take a Bill further than it was scheduled to be. And I have to echo all of the comments made by the Hon. Member, Mr Karran.

1665 I think also it should be worrying to the Minister that today, despite the fact that he narrowly got his Second Reading by majority, with 16 votes, five Members of this House voted for it to get further scrutiny. That is worrying because normally the opposition is down to two or three or maybe four. But there were five Members of this House who feel uncomfortable today with it being processed any further. I know we have had that vote and it has gone, so we are where we are, but at least further scrutiny would have given some comfort.

1670 I can appreciate what the Minister in one way is saying, when he says, ‘Well, if we do it today, then we can appoint the Solicitor General and everything will be hunky-dory during the summer recess. It is very convenient. We are not here to be used at the convenience of another place, and to do it in one session. We are not here to be used and abused and manipulated. We are here to scrutinise legislation under normal parliamentary process in this place. That is why we are elected. That is our first duty in this place: to scrutinise legislation.

1675 I have not been given any notice that this was the intention of the Minister, so therefore I have not been able to properly consider whether or not, and if it were appropriate, that amendments ought to be moved. We have been invited to do it on the hoof, if the Minister gets his rapid readings today! Well, is that good policy? Is that good scrutiny? I would suggest that it is not good scrutiny at all. I for one am not prepared.

1680 What I see – and the Member who has just resumed his seat is right in one respect – he said it is a rushed thing, it is a knee-jerk reaction. I think it is probably a knee-jerk reaction to the fact that the Acting Attorney General was conflicted in giving advice on the recent fiasco over the Sefton deal. I think it is probably that that has martialled this so quickly before us today.

1685 Now the Minister is waving a shroud and saying no – he has not even mentioned that actually, but I think that is the crux of the problem – he is trying to make the case that it is because it is in the Wooler Report. Yes, it is in the Wooler Report! There are other things in the Wooler Report too. So why single out just this one, and now, today, by rushing all the Readings?

I would, Mr Speaker, urge the House to really be very careful here, before they give *carte blanche* licence to the Minister to rush procedure, and I will definitely be voting against the suspension of Standing Orders.

1690 **The Speaker:** Hon. Member, Mrs Beecroft.

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

I will be brief because I am not going to be repetitious.

1695 I would like to know how long the current legislation has been in place. We have not heard a satisfactory explanation as to why it suddenly has to be rushed through. I feel very very uncomfortable with the Minister’s proposal to take all three sections in one day without any notice. He says we can put amendments this morning if we want. We did not know this was going to happen! It has been sprung on us, Mr Speaker.

1700 **Mrs Cannell:** Yes, it's dreadful.

**Mrs Beecroft:** It is dreadful. How can you suddenly, when all this is going on, while the debate is going on, have time to think about what amendments you might want to move and to consider them properly?

1705 I actually think it is very discourteous to this House, to say the very least, and I really hope that Members will not support this. I really do because I think it is setting such a dangerous precedent.

Thank you, Mr Speaker.

1710 **The Speaker:** Hon. Member, Mr Thomas.

**Mr Thomas:** Thank you, Mr Speaker.

Again, my comment is by the way of a question. Can the Minister advise when it was decided to bring this call for suspension of Standing Orders and why at least that request was not on the Order Paper?

1715 **Mrs Beecroft:** Good point.

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

1720 **Mr Watterson:** Certainly, Mr Speaker, in regard to the last question, I think it was determined by the Council of Ministers, I think it was last week, that this try and be progressed, and I have certainly said that I was happy to try and progress it on that basis.

It is of course always in the hands of Members as to whether these are progressed or not. I absolutely respect the right of Members to vote whichever way that they feel is appropriate.

1725 Going back to Mr Karran's points, yes this is about the implementation of the Wooler Review, and if we do not get it done today – and that is in the hands of Members – that will mean a minimum of a four-month delay in the process, plus of course, the awaiting of Royal Assent on top of that as well.

1730 The Wooler Report was of course circulated and seen by all Hon. Members, and it is clear that the changes that are being proposed today, in terms of the appointment of a Solicitor General, which is the sole purpose of this Bill, are required.

The end of the term of the Acting Attorney General is unknown and I would suggest that it is essential to have a Solicitor General in place to ensure that – to use a well-banded phrase – there are the proper constitutional structures in place at that time.

1735 To pick up on Mrs Cannell's point about that there were five people who (**Mrs Cannell:** Five Members.) voted against it, or voted for further scrutiny of it. What I picked up was that five people looked to expand the scope of the Bill rather than change it, and indeed to pick up on Mrs Beecroft's point about amendments, I do not think that anyone has actually set out areas where they feel that this Bill needs amendment. They have set out areas of new material that they might like to cover in a Bill that is coming along, but that is not necessarily the same thing.

1740 Of course, why is it here today at this stage? Of course it can only be progressed in the House of Keys once its passage had been completed by the Legislative Council and it has been moved as expeditiously as possible through both Houses.

1745 The point about scrutiny, I would certainly welcome scrutiny at its stages as this progresses, because of course the Bill was published quite some time ago. It was published when it was introduced into Legislative Council of course, and so Members have had perhaps more notification of it than the normal process if the Bill had been introduced into Keys.

I can only say that, why is this the only part of the Wooler Review that is before us today? This is the only part of the Wooler Review that needs primary legislation.

1750 So I do welcome the scrutiny. This is about ensuring that good systems of Government are in place to ensure that we have an appropriate structure for the Attorney General's Chambers and the Law Officers of this Island, and I beg to move.

1755 **The Speaker:** Hon. Members, we go straight to a vote. Sixteen votes are required to suspend Standing Orders. Please vote, Hon. Members.

*Electronic voting resulted as follows:*

**FOR**

Mr Anderson  
Mr Cannan  
Mr Cregeen  
Mr Cretney  
Mr Gawne  
Mr Henderson  
Mr Quayle  
Mr Quirk  
Mr Robertshaw  
Mr Ronan  
Mr Singer  
Mr Skelly  
Mr Teare  
Mr Watterson

**AGAINST**

Mrs Beecroft  
Mrs Cannell  
Mr Hall  
Mr Houghton  
Mr Karran  
Mr Thomas

**The Speaker:** With 14 for, 6 against, the motion therefore fails to carry.

1760 **Mr Hall:** Mr Speaker, I pressed the wrong button – just for the record on *Hansard*.  
(*Interjections*)

**Procedural –  
Ruling by the Speaker**

**Mr Karran:** Could I move the suspension of Standing Orders now to actually investigate with a committee of three, now that the Bill is dead in the water?

1765 **Mr Watterson:** It is not dead in the water.

**The Speaker:** We have dealt with that procedure. The House has made its decision.

1770 **Mr Karran:** If we can suspend Standing Orders one way, I am sure we could... (*Interjections*) It would help this legislation, it would help...

1775 **The Speaker:** Hon. Members, I think we have got to be sensible about this. The House has made a decision on that. Even if the House were to suspend Standing Orders and do a re-vote, what is that telling us? Presumably the vote would be the same.

**Mr Karran:** What it is telling us is that we have lost the suspension for the clauses now, we could actually make sure that this legislation is –

1780 **The Speaker:** No, my ruling is that we have dealt with that matter already, Mr Karran.  
(*Interjection by Mr Karran*) That is out of order.

**4. BILL FOR THIRD READING**

**4.1. Public Services Commission Bill 2014 –  
Third Reading approved**

Mr Robertshaw to move:

*That the Public Services Commission Bill 2014 be read a third time.*

**The Speaker:** We turn now to Item 4, Bill for Third Reading, which is the Public Services Commission Bill, and I call on the mover, Mr Robertshaw.

1785

**Mr Robertshaw:** Thank you, Mr Speaker.

As Hon. Members will recall, the Public Services Commission Bill is designed to establish a new Commission which would be the employer of more than 4,000 people, representing about 50% of central Government staff. It would have a clear mandate to deliver consistent policies in respect of its workforce and work towards the simplification of employment structures, the harmonisation of terms and conditions of employment, and facilitate redeployment of staff across relevant Departments, Boards and Offices as necessary in support of Government's priorities and changing circumstances.

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The new Commission would also provide the opportunity to both streamline and modernise collective-bargaining arrangements in respect of its staff and enable arrangements to be put in place that are modern, representative and focused on agreed outcomes.

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The establishment of a Public Services Commission is, as Hon. Members will appreciate, a further step in modernising and introducing more flexible and responsive employment structures which, coupled with the culture change, are fundamental to the development of more efficient ways of working and the reduction in bureaucracy, all of which of course contribute to the ongoing imperative to achieve long-term financial sustainability.

1800

Given that the principal objectives of the Bill were set out at Second Reading stage and detailed description of individual clauses was given at the sitting of the House on 10th June, I do not therefore intend, as Hon. Members will appreciate, to revisit them today. Having said that, I would like to thank Hon. Members for their various contributions in the consideration of this Bill, which I believe to be an important measure and therefore, Mr Speaker, I beg to move the Third Reading of the Public Service Commission Bill 2014.

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**The Speaker:** Mr Quayle.

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**Mr Quayle:** Thank you, Mr Speaker.  
I beg to second.

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

1815

**Mr Karran:** I do not want to be seen as being awkward in this House or as it was tried to put out about hijacking. I did at the Second Reading try to have this Bill put into a committee.

One of the things... I mean Question 2 to the Ard-shirveishagh was put down in this House, because I believe there is a sincere belief by those that are in a position of power in the Council of Ministers to trying create in the public service fair, equitable conditions and severance pay and the likes. I believe that that message needs to be put out.

1820

I am concerned about this Bill, because my concern is that this Bill is so well-meaning, that is something which I believe the politicians are well-meaning with principles of equality that we have battled over the last 30 years, where we have had the ridiculous situation in the past, where somebody's pension rights of 30 years were only worth the pension rights of somebody

1825



who have done five years and things like that. We have seen vast improvements in the anomalies that we have as far as public sector pay is concerned.

1830 My concern is that we have not heard anything as far as the issue of the International Labour Organisation, as far as this being in contravention of the International Labour Organisation that imposes on this legislation. My concern is that I believe that the Trades Council, the majority of the Trades Council, are opposed to this body and that the union, Unite is totally opposed to this body at the present time.

1835 We have got more likely one of the difficult times and it is going to be one of the most important growing-up periods this House is going to have, because for 20 years, we had such an economic boom that it did not matter. And the situation we have got... We are going to have to grow up and we are going to have to start bringing about proper due process, like it would be outside this Hon. House.

1840 I fear, by supporting the Third Reading of this Bill, that what we will end up with is the winter of discontent that is going to come, if we do not have proper negotiations with the interested parties. I think it is very proud that when you think of the way we have improved... People do not realise, 45% was the average working wage of a person in the Isle of Man employed if he did not have UK parity like the burden scale if you were a teacher, a doctor, a policeman or the likes with UK, where we had no redundancy, no unfair dismissal.

1845 I would hate us to be once again seen outside this Island as going back to the old traits of what some of us were complaining about years ago, where there was more subsidy on a four-legged, altitude-sick sheep than there was on many individuals, as far as many individuals that voted for us and their children were concerned.

1850 I just worry with this Bill, and that is why I feel I cannot support and I do not want to hijack it. We have lost the vote, we accept the vote, and I hope that the mover proves me wrong because that is what we want. We want the right decision in this House. We do not want just to win for the sake of winning. There has been far too much of that at great cost to the taxpayer over the years.

1855 So I feel the Minister needs to at least inform this House: has any representation been made as far as the ILO is concerned – the International Labour Organisation – about breaking international law? Has there been any representations from the Trades Council or the like? If he can assure me that I am not correct, then I will support the Third Reading, but otherwise I will be voting against the Third Reading of this Bill, even though I believe that the politicians are sincere in what they move, but I feel that the people who are drafting this and the people who are behind this have a totally different agenda to what the Council of Ministers is proposing at the present time.

**The Speaker:** Mr Teare.

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

1865 I think we have to acknowledge that we have to move with the times and our employment legislation does definitely need modernisation, when we consider that Whitley Council, which has been in existence for some time, has been abolished in the UK for many, many years. It seems sensible to me that we should not have a distinction in various classes of employees. The Hon. Member who has just resumed his seat did mention earlier this morning that there should be equality of arms, as it were, towards the Government as employers' attitude towards employees, and I think that this legislation will do exactly that.

1870 So I feel that this legislation –

**Mr Karran:** Would the Member give way?

1875

**Mr Teare:** Happy.

**The Speaker:** The floor is yours, sir.

1880 **Mr Karran:** Would the Member like to clarify the points, when he talks about the UK, the decimation, the absolutely divided society that we now see, and the wages and conditions in the public sector, at the bottom end of the public sector in the UK, when he is talking about the issue of the UK, allowing for the fact there have not been the same changes as far as the ones at the top as far as the public sector is concerned?

1885 **The Speaker:** Mr Teare.

1890 **Mr Teare:** Not unsurprisingly, I do not agree with the Hon. Member's argument. Also, this in effect will introduce a level playing field for all employees with a single employment body. It will make it easier to negotiate. Instead of having various sections to negotiate with, there will be a central body and I feel this is a sensible step forward, and I would urge Hon. Members to support the Third Reading.

1895 **The Speaker:** I call on the mover to reply, Mr Robertshaw.

**Mr Robertshaw:** Thank you, Mr Speaker.

I thank my seconder and for the comments from the Hon. Member for Ayre.

1900 It would not be my intention in replying to the Hon. Member for Onchan, to try to prove him wrong in any shape or form. I respect and acknowledge his interest and concern in these matters and we share his profound interest in this matter.

But what I would like to do it is just quickly reiterate the intention of this Bill. The intention of this Bill is to bring the two main components together and to respect the existing terms and conditions for all employees. That is the first thing.

1905 The second thing is that there will be a need to enter into negotiations to ensure that the representations are the appropriate ones on the new Commission, and that process has begun. Yes, it is indeed a sensitive process as you would expect, but I just would again remind Hon. Members that great efforts will go into trying to ensure a successful conclusion to these negotiations on representations, but in the final analysis, if it is not possible, it will be brought to Hon. Members in another place to consider at the appropriate time.

1910 So I do trust that he would support that process.

To answer the specific points that he makes, I do not believe that this Bill is in any way breaking international law and is not contradicting ILO regulations –

1915 **Mr Quirk:** We had the letter.

**Mr Robertshaw:** Other than to say that if it was the case that it was strongly felt in some quarters – and I do not share this – that there was a problem that it is absolutely within the remit of those concerned to be able to make a complaint following ILO procedures. But I think that is something of a red herring.

1920 So that with that, Mr Speaker, I beg to move the Third Reading.

**The Speaker:** Hon. Members, I put the motion that the Public Service Commission Bill be read for the third time. Those in favour, please say aye; against no. The ayes have it

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

**FOR**

Mr Anderson  
Mrs Beecroft  
Mr Cregeen

**AGAINST**

Mr Karran  
Mr Quirk

Mr Cretney  
Mr Gawne  
Mr Hall  
Mr Henderson  
Mr Quayle  
Mr Robertshaw  
Mr Ronan  
Mr Singer  
Mr Skelly  
Mr Teare  
The Speaker  
Mr Thomas  
Mr Watterson

**The Speaker:** The motion carries, 16 votes for, 2 votes against.

## 5. LEAVE TO INTRODUCE

### **Private Member's Bill to establish a Planning Committee – Leave to introduce – Motion not carried**

The Hon. Member for Douglas West (Mr Thomas) to move:

*That leave be given to introduce a Private Member's Bill to amend the Town and Country Planning Act 1999 to establish a Planning Committee; and for connected purposes.*

**The Speaker:** We move on to the final Item – Item 5, Leave to Introduce. I call on the Hon. Member for Douglas West, Mr Thomas.

1925

**Mr Thomas:** Thank you, Mr Speaker.

I have talked about this topic a number of times over the last 12 months, so I will make my remarks very brief, if that is okay by this House.

In essence, what we are talking about here is my request for leave to introduce:

*'a one-clause amendment to the primary Act – that is the Town and Country Planning Act 1999 – in order to clarify the appointment of the Planning Committee.'*

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That is actually a quote that I just read out then, from the Minister for Infrastructure back in May, so it is quite clear what we are talking about. We have a slightly unclear situation, and in the interest of moving forward and placing the matter beyond doubt, to make sure the *vires* is clear, the Department of Infrastructure, the Minister for Infrastructure has assured the Court and its Members from this House, that the one-clause amendment he hopes will one day come forward.

1935

But there are two ambiguities. The first one is the timetable, and the second one is whether the Council of Ministers will agree with him. So back in May, I announced my intention to put this request for leave to introduce on the Order Paper, and I announced that in my Tynwald speech back in May.

1940

I would be delighted to work over the summer, so that by Christmas or soon thereafter we actually have removed all ambiguity by having this one-clause amendment to the Town and Country Planning Act. Over the summer, I will engage fully to support the Department of Infrastructure's plans to make sure there are not any financial implications, to work with the

1945 Attorney General diligently to carry out consultation so that immediately in October we can come back with this one-clause Bill.

If that is not desired by the House and I do not get leave to introduce, the alternative would be that we get a clear statement today from the Minister that this will happen on a certain date and everything is agreed and in place.

1950 With that, I think I will actually sit down. I am hoping there will be a seconder for my leave to introduce, and I hope this House will actually give me the chance to work, to actually put this matter beyond doubt and move things forward to where we all want them to be.

**The Speaker:** Mr Skelly.

1955 **Mr Skelly:** Gura mie eu, Loayreyder.

As Hon. Members will recall, Mr Thomas brought a motion in January 2014 and later in May, which sought approval for a select committee to be appointed to report to Tynwald in respect of issues regarding the authority and operations of the Planning Committee and the delegated authorities under planning legislation.

1960 While I reaffirmed the Department's position and the Planning Committee acted lawfully, I gave a commitment to bring forward a one-clause amendment to the primary Act – the Town and Country Planning Act 1999. The amending legislation is intended to provide further clarity regarding the statutory footing of the Planning Committee. I hope Hon. Members will agree this is a positive move on behalf of the Department in the interest of moving forward and placing the matter beyond doubt. It has been made on the advice of the Attorney General's Chambers.

1965 I can now inform Hon. Members that on 12th June, the Council of Ministers considered a paper submitted by my Department and it was agreed that the Department could issue the relevant drafting instructions to the Attorney General's. I can confirm that my Department in the next week or two, latest, will be issuing those drafting instructions to the Attorney General's Chambers.

1970 In light of progress that has been achieved, I believe Mr Thomas's motion will simply duplicate work that has already taken place and create an inefficient use of legislative drafters' valuable resource.

In that regard, I cannot support Mr Thomas's motion.

1975 **The Speaker:** Now, Mr Thomas's motion has not been seconded.

**Mr Quirk:** Not yet, Mr Speaker.

1980 **The Speaker:** I called you, sir – you caught my eye, I assumed you were going to second but you are not seconding.

Mr Quirk. *(Laughter)*

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

1985 I am more than happy to support Mr Thomas, from West Douglas and second the motion on that.

1990 I am glad and maybe... I am up for an intervention from the Minister for the DOI too. There is been a lot of speak, there has been a lot of talk on this particular issue. It has been running for a long time, and as I did say in the last debate we had in another place there, it would come back to bite you and haunt you. It is like a sore that has not been lanced and is still festering.

I am now – and I hope he is not listening, to tell you the truth – the butt of some e-mails from a certain individual from Peel. It is not going away. As far as I am concerned, the man has some very valid points, but until... And that is why I still want to support Chris Thomas, the leave to introduce there, in this because we were not giving...

1995 The Council of Ministers have discussed this. Do we know whether the Council of Ministers  
give it a priority, whether they have flipped it at the top of the list, or just left at the bottom,  
where, in the natural cycle, it could be next September? I do not expect that and I did not expect  
that from the Minister reporting it to us to the House here today. I expected some clear views to  
say, the Attorney General's office have been instructed to do this particular issue. It is only a one  
2000 clause issue – why could not it be done, put out there, sent to us, notified of it, put in some sort  
of mechanism there?

So I am sorry on this particular one. I do not believe the promises that have been given. I  
would rather believe the promises I can give to Mr Thomas to support him and his leave to  
introduce, and I would still encourage Members – although some people say it is a duplication of  
2005 services. What could happen is, if there are two issues running at the same time, maybe they  
could get together...

It is like I did a few years ago when I did a Bill on special guardianship. Then, Mr Robertshaw  
was not the Minister; it was Minister Quayle – another Quayle. I spoke to them. We got together  
and we pushed a Bill forward, and everybody was happy. I was a bit long winded on the  
2010 preambles going through, which the Speaker said I had a right to do, and I always remember  
that, Mr Speaker.

So I would say to you, (*Interjection*) support Mr Thomas, get it together, and move it along,  
and let us get the issue dealt with.

2015 **The Speaker:** Hon. Member for Ramsey, Mr Singer.

**Mr Singer:** Thank you.

I take note of what the last speaker said, Mr Speaker, but the fact is that it is moving along. I  
think the Department has acknowledged Mr Thomas's point, and the fact is that it is being sent  
2020 to the drafter within the next 7 to 10 days. Why duplicate? I think we have to take the Minister  
at his word, that that is going to happen.

The one problem that I have with the motion anyway, from Mr Thomas, is that whilst it says  
that leave be given to introduce a Private Member's Bill to amend the Town and Country  
Planning Act 1999 to establish a planning committee, and then it says 'and for connected  
2025 purposes'. We have no idea what that 'and for connected purposes' means. I am not saying he  
would do, but with amendments etc, this could well go beyond the scope of the point that this  
Bill is trying to make and could well be a delay.

Accepting what Mr Thomas is putting forward and his sincerity in doing so, I would hope that  
Members would accept the word of the Minister that that is going ahead, and it is going ahead  
2030 fairly quickly.

**The Speaker:** Hon. Member for Middle, Mr Quayle.

**Mr Quayle:** Thank you, Mr Speaker.

I have always held a principle of supporting any Member's leave to introduce but I would  
urge the Hon. Member for Douglas West, Mr Thomas, to withdraw his proposal. If the Minister  
for Infrastructure, Mr Skelly, has given his word to this House that he is introducing legislation,  
then surely this is purely a duplication and a waste of taxpayers' money.

Therefore, I would respectfully ask him to allow me not to have to break my principles of  
2040 allowing Members to have the right to introduce legislation.

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

**Mr Thomas:** Thank you very much, Mr Speaker.

I rise having not quite reached a conclusion of my speech in my own mind, but first of all, I  
2045 would like to thank Mr Quirk, the Hon. Member for Onchan, for having seconded my motion.

I can assure all Members of this House that I would work together with the Minister for Infrastructure, as I have done repeatedly since October/November time with other Members.

2050 Also, we heard this morning that resources are short in the Department of Infrastructure. We heard in Tynwald, in the other place in May that we have got Bills A, B, C and D, in terms of amending the Town and Country Planning Act, so the question raised by Mr Quirk is a valid one, which is: where does this come in the priority?

2055 Genuinely, the Government's legislative programme is full – probably too full – and each Department has been asked to take out Bills. I would really hope that we have the Minister's assurance, not only that it is a personal priority for him, but that it is the Department's priority, because we keep getting told from the Department that there is no problem, there are *vires*, and that will be the situation until there is a successful legal challenge.

2060 So therefore the situation is fragile, in one sense, so I really do hope that the Minister can keep his promise. I am sure he intends to, but there is that... it is only a promise and there are many other people involved in that promise.

2065 I appreciate the comment from the Hon. Member for Ramsey, Mr Singer, but my understanding was that 'and for connected purposes' was standard drafting by the Clerk. There is nothing on my side for adding in 'and for connected purposes'. I understood that it was added in by the Office as a standard thing that was always there, and I did not have any influence whatsoever. I can absolutely assure people that I am looking to move a one-clause, perhaps two-clause if it is needed, because the legislative drafter said it would look better in two clauses, solely to achieve the purpose of making the Planning Committee that exists exist in the statute, to make the work of the Department much easier, because then they will not have to worry about all the delegations that are flawed, because they have currently written to me to say that  
2070 it is a great amount of work, putting in place all the delegations in a non-flawed way, and they will not have to do that if this Bill can be there, if there is a promise that it will be there in October.

2075 So, in fact, I am not actually going to withdraw my request for leave to introduce. I believe the situation would be more certain, because I can promise myself and know that I will keep the promise, and I recognise that this is a very, very important issue.

But I do want to record that I do trust and I do believe the Minister for Infrastructure (**Mr Anderson**: However...) but from every good intention, there are many reasons why good intention could go wrong.

2080 Thank you, Mr Speaker. I hope that this House will give me the leave to introduce.

**The Speaker:** Hon. Members, the motion before us is set out at Item 5, that leave be given to introduce a Private Member's Bill as set out by Mr Thomas. Those in favour, please say aye; against, no. The ayes have it.

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

**FOR**

Mrs Beecroft  
Mr Cannan  
Mrs Cannell  
Mr Hall  
Mr Karran  
Mr Quirk  
The Speaker  
Mr Thomas

**AGAINST**

Mr Anderson  
Mr Cregeen  
Mr Cretney  
Mr Gawne  
Mr Henderson  
Mr Houghton  
Mr Quayle  
Mr Robertshaw  
Mr Ronan  
Mr Singer  
Mr Skelly  
Mr Teare  
Mr Watterson

- 2085       **The Speaker:** With 8 votes for, 13 against, the motion therefore fails to carry.  
            Hon. Members, that concludes the business before the House today. The House will stand  
adjourned until the next sitting which will take place on Monday, 7th July In St John's.  
            Before that, I look forward to seeing you at lunchtime today and I hope you are able to join  
me in traditional manner.
- 2090       Thank you Hon. Members.

*The House adjourned at 12.15 p.m.*