



TYNWALD COURT OFFICIAL REPORT

RECORTYS OIKOIL
QUAIYL TINVAAL

PROCEEDINGS DAALTYN

HANSARD

Douglas, Wednesday, 11th December 2019

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Present:

The President of Tynwald (Hon. S C Rodan OBE)

In the Council:

The Attorney General (Mr J L M Quinn QC),
Miss T M August-Hanson, Mr D C Cretney, Mr T M Crookall, Mr R W Henderson,
Mrs M M Maska, Mrs K A Lord-Brennan, Mrs J P Poole-Wilson and Mrs K Sharpe
with Mr J D C King, Deputy Clerk of Tynwald.

In the Keys:

The Deputy Speaker (Mr C R Robertshaw) (Douglas East);
The Chief Minister (Hon. R H Quayle) (Middle);
Mr J R Moorhouse and Hon. G D Cregeen (Arbory, Castletown and Malew);
Hon. A L Cannan and Mr T S Baker (Ayre and Michael);
Hon. C C Thomas and Mrs C A Corlett (Douglas Central);
Mrs C L Barber (Douglas East);
Hon. D J Ashford and Mr G R Peake (Douglas North);
Hon. W M Malarkey (Douglas South);
Mr M J Perkins and Mrs D H P Caine (Garff);
Hon. R K Harmer and Hon. G G Boot (Glenfaba and Peel);
Mr W C Shimmins (Middle);
Mr R E Callister and Ms J M Edge (Onchan);
Dr A J Allinson and Mr L L Hooper (Ramsey);
Hon. L D Skelly (Rushen);
with Mr R I S Phillips, Clerk of Tynwald.

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Tynwald

The Court met at 10.30 a.m.

[MR PRESIDENT *in the Chair*]

The Deputy Clerk: Hon. Members, please rise for the President of Tynwald.

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

5 **Members:** Moghrey mie, Mr President.

The President: I will lead us in prayer.

PRAYERS

The President

Leave of absence granted

The President: Hon. Members, I have given leave of absence to Mr Speaker and to Miss Costain, who are both indisposed; Mr Ashford will be joining us later in the sitting.

Order of the Day

27. Employee National Insurance – Targeted rebate to benefit the low-paid – Debate continued – Motion lost

10 **The President:** We are in the middle of debate on Item 27 and I call, to speak first on the amendment, the Hon. Member for Douglas East, Mr Robertshaw.

The Deputy Speaker: Thank you, Mr President. I no longer wish to speak to the amendment,
15 sir.

The President: Thank you, sir – in that case Hon. Member of Council, Mrs Poole-Wilson.

Mrs Poole-Wilson: Thank you, Mr President.

20 I would like to thank the Deputy Speaker for bringing this motion, as the principal matter he is seeking to address, to reduce the burden of National Insurance for the lowest earners, is one I support.

While I absolutely recognise all that has been done, as the Treasury Minister listed, to address the position of the lowest earners from the perspective of Income Tax changes, increase in Minimum Wage and the introducing of the living wage, I believe we should also look at what can be done in terms of National Insurance. And so I was initially attracted by the Speaker's amendment, allowing scope for a review of the National Insurance system with a view to reducing the burden for the lowest earners, but as well as looking at the position for the lowest paid, I do believe a more wide-ranging review of National Insurance is needed.

Others have spoken about the reasons for this, not least the issue of funding in the future for health and social care, and indeed the approach a review might adopt. For me, a critical point is that, with the advent of protection against age discrimination and the possibility that along with higher life expectancy more people will follow the lead of the Deputy Speaker and carry on working beyond state pension age, is it still appropriate that people cease to make National Insurance contributions at state pension age?

I believe a more wide-ranging review of National Insurance is in order and what I have heard in this debate is that that is understood and accepted by the Treasury Minister and will be taken forward. So, for that reason, I will not vote in favour of the original motion or the amendment, although I absolutely support the sentiment. Like the Hon. Member for Ramsey, Mr Hooper, I will be keen to hear more about the plans and progress of this more wide-ranging review.

I would not want the Deputy Speaker, Mr Robertshaw, to feel like this has been another exercise in banging his head against a brick wall and getting nowhere. On the contrary, his 'giddiness' has given rise to an important debate with clear support being voiced for the principle he has put forward, so I would encourage him to keep on giddying on.

Thank you, Mr President.

The President: Hon. Member for Arbory, Castletown and Malew, Mr Moorhouse.

Mr Moorhouse: Thank you, Mr President.

My comments will be brief. I have raised concerns about the National Insurance imbalance previously. I do recognise the positive benefits of a review from the perspective of it ending the current money-go-round of taking National Insurance contributions from the poor and then simply returning a proportion of that money through the benefits system.

I do have two other concerns. If people do not contribute to National Insurance, they could be unable to benefit in the future from pensions. Additionally, there are many middle-income managers who appear to be high earners, but many of them are the family breadwinner with big commitments. To start taking from them could have consequences.

I am not sure how we can overcome these challenges beyond gradually changing what we have already, but I do recognise the potential benefits from reassessing the overall situation. I do, however, believe the Treasury Minister is a realist and is aware of the specific ... *[Inaudible]* This makes the choice before us a difficult one. I look forward to hearing the Treasury Minister's future thoughts on this important issue.

Thank you.

The President: Hon. Member for Douglas East, Mrs Barber.

Mrs Barber: Thank you, Mr President.

I also do not seek to repeat what was said yesterday, only to reinforce that there are many areas around National Insurance that I believe would benefit from a review. This is simply good housekeeping and I wholeheartedly support the principle of a holistic review of NI, whether now or in the future.

The Treasury Minister rightly talked yesterday of the many positive changes that have already happened to taxation, to child support and to university fees, to name just a few, and it seems to me that the Treasury Minister has inspired in many of us the desire to continue this excellent

work to ensure that those lower-paid earners are empowered to keep more of their own money. Rather than paying money in National Insurance and seeking alternative benefits to compensate them, they can keep their own money in the first place.

Thank you, Mr President.

The President: Hon. Member for Ramsey, Dr Allinson.

Dr Allinson: Thank you, Mr President.

Yesterday seems quite a long time ago now, but it was almost developed a theme because what we talked about was inequality. We passed some equality legislation, we talked about fairness and we talked about poverty, and all these are interlinked. But why are we having this conversation now? Because we are getting to the end of a whole decade of austerity which has driven down people's ability to earn, to live and to spend, and now we are beginning to pick up those pieces but that threat of austerity, that threat of economic downturn remains with us.

I think this is a really important motion coming on the back of those important discussions about what poverty is and how we can deal with it. Government policies and Government decisions can create poverty but it is a lot harder to try to reverse that.

Having conversations with Mr Deputy Speaker, poverty can rear its ugly head in many different ways. I know somebody in my own constituency who works full time, she has got quite a good job, but when her father got seriously unwell she could not afford to go to England to see him on his deathbed. She could not afford the air flight there and then. She did not have that money in her pocket to be able to go and visit him at a time that she wanted, and I think this shows the suffocating limitations of poverty that can go throughout our society.

I am very encouraged by the work that has been done on poverty. The Hon. Member of Council, Mr Cretney talked about the public health report. Michael Marmot was quoted. He spoke at a recent GP conference and said one thing we could do is get more money into the system. It is money into the pockets of those people who are struggling, who are treading water in our society. We are very good in terms of giving but also, unfortunately, we need to balance that with the take, and that is what National Insurance is about: it is an insurance policy. I completely respect the Hon. Treasury Minister's sense of caution – given the historical time we are in and given the history of the NI Fund – and reticence to make any bold gestures.

Going back to the report in 2014 on National Insurance, the quote was 'The National Insurance system, based on UK policies rather than local priorities, has become too complex and risks failing the vulnerable', and I do not think necessarily anything has changed since that time. I think we are still in the same position in terms of some of the benefits we give and some of the things we take from people in terms of taxation and National Insurance. So I think a review of that is very timely and very overdue, but I do not want to repeat the past – I was about to say 'mistakes'; they were not necessarily mistakes – actions in 2014 about reviewing National Insurance, because the Hon. Member from Ramsey, Mr Hooper seems to think this is too big a problem and we need to deal with it as a whole and everything is interlinked.

What we are actually asking for is a bit of innovation here. The Hon. Member, Mr Robertshaw talked about some of the attributes and the expertise in the Treasury Department and harnessing that to come up with some bold ideas and see if they will work. We have already done that with the NI honeymoon scheme, promoted by the Department for Enterprise to try to attract people over. If they come over here, we give them back their National Insurance at the end of one year. Okay, we have got to see if that works and if it does encourage more people to come through, but again we are trying different things to get round a problem and I would like to see us try to do the same in terms of the low paid, because the reality is I believe what we need at this time on the Isle of Man is a bit of an injection of hope into our society.

It comes down to the old-fashioned Keynesian economic stimulus of giving people a little bit more money in their pocket so they can go out and spend, they can use the multiplier effect and

they can increase the economy, because with everything else that is going on in the world and on the Isle of Man there is a little bit of instability at the moment, there is a little bit of doubt and there is a little bit of caution. We need to try to correct that. We need to try to be a little bit bolder, come up with some better ideas in terms of putting money into the pockets of those people who are going to spend it locally, those people who would benefit from it and those people who can go on to actually improve the economy for the rest of us as well.

With that, I am quite happy to support either of the motions, but I think this debate in total has been really helpful because we looked at the problem yesterday and now we can start looking at the solutions.

Thank you, Mr President.

The President: Hon. Member for Middle, Mr Shimmins.

Mr Shimmins: Thank you, Mr President.

I just want to reassure Hon. Members that Treasury does take on board the points that are being made, we welcome suggestions and we do give them very full consideration. At each Budget we challenge ourselves on National Insurance. We are listening to the points that are being made. We look at the rates, we look at the thresholds and the interaction particularly with tax and the other benefits. These are lengthy and detailed sessions. We try and strike the right balance and we are weighing up lots of different, sometimes competing, factors in these discussions.

In some ways it is incorrect to look at one component in isolation, in this case National Insurance. We do know that an Isle of Man individual on a 37-hour working week on the Minimum Wage is £326 a year better off here than if they were in the UK when you take both these items, tax and National Insurance, into account, and arguably this Treasury has done more than any other Treasury in recent memory to help the low paid with the very large increases in personal tax allowances. These have put more money back into people's pockets, as requested by Dr Allinson. But Treasury does welcome the innovation, the suggestions and the new concepts that Mr Robertshaw called for.

We also operate within constraints and we do need to be practical. Perhaps I could explain to Hon. Members that the IT system which supports the National Insurance framework is old, it is not especially user friendly or flexible and the system as it stands would not process rebates, so it would need to be a very manual intervention and that brings some drawbacks. At some point in the next few years the system will be replaced. Treasury has a number of old IT platforms and has prioritised their renewal, but the prioritisation reflects the need for operational resilience and there are actually more pressing IT renewal projects in Treasury for other very important systems. These IT renewal programmes are complex and they are expensive. They will all take years rather than months, unfortunately, to complete. Treasury officers would love to have systems which talk to each other – which is a point I think someone made – but I am afraid we are a very long way, as we stand here today, from that commendable aspiration.

I absolutely concur with the need for sustainability in the longer term for our National Insurance Fund. Today there are 18-year-old Manx workers who are paying National Insurance and they can expect to receive their state pension in their 80s, whereas for previous generations that potentially will be in their late 60s or early 70s, so this longer provision requires more funding. It is good that the National Insurance Fund is growing; it needs to if the Government is to deliver on these long-term policies in the future. Relatively small changes reducing funding can actually have a major impact as they are compounded year on year over a 60- to 70-year timescale, so we just need to bear that in mind and we must take a sustainable approach.

I would just like to make a small number of additional points. I was slightly taken aback by Mr Hooper's remark that we had been lucky with the investment returns. The National Insurance Fund has benefited from strong investment performance over the last three years and we keep a very close eye on this. The Treasury team work very hard to ensure that our funds are

professionally managed and invested, and returns are achieved by also managing risk. But I think Mr Hooper's point was really that we must not take this for granted and that these returns may reduce in the future.

However, I wholeheartedly agree with the Hon. Member for Ramsey, Mr Hooper's points about understanding the bigger questions. It is likely that the Health Service will require ongoing additional funding to assist with the transformation plan, and at this stage we do not know how much that will be, but it ain't going to be cheap to deliver the Health Service that our people want. It would be irresponsible to make many changes in National Insurance until we understand that Health Service requirement and how it is going to be funded. And the actuarial report is also very important. It is great that our investment fund has grown, but we need to understand the liabilities side as well before we make changes.

Hon. Members, I do not doubt the good intentions behind these motions and I welcome the debate and suggestions in the input that we have all had. I do believe it would be irresponsible to make short-term changes without looking at the long-term sustainability of our National Insurance Fund, which is very dear to the Manx people.

Treasury takes its responsibilities seriously and I would suggest Hon. Members also share that responsibility, so I would suggest we reject the motions. We must take account of the bigger-picture issues and take a sustainable approach.

The President: Hon. Member, Mr Thomas.

Mr Thomas: Thank you, Mr President.

I have to confess I was incredibly worried about this debate, and I want to thank everybody for the cool heads and calm hearts that have enabled us to collectively be cathartic in dealing with some incredibly significant issues that will be very important in coming years for this Court and Manx society.

I had in mind an African proverb. In Africa, elephants are symbols of strength, power, wisdom, moderation and paternity, and the grass is a symbol of weak people. There is an Africa proverb, which is 'when elephants fight, the grass gets hurt'. That is not what has happened today. What has happened today is we have gone through that process of collective catharsis. We have said things that needed to be said about low wages potentially, low pensions potentially and low Social Security benefits potentially. As Dr Allinson hinted, this debate can be seen as part of a trilogy of debates during this Tynwald about the issue of poverty and what to do about it – not only absolute poverty but also relative poverty – so that we can use the economic impact of everybody getting better off to be self-sustaining and increase the overall benefit of everybody. That has been called 'trickle-up economics' because water can go uphill if it is handled properly.

The second thing that has come out in the very wise words of the Treasury Minister and the Treasury Members is the absolute importance of our National Insurance Fund and our National Insurance system – something we have still in its raw form, in its pure form, which they do not have in Northern Ireland and Great Britain – for healthcare and for state pensions. Absolutely the National Insurance system and the Fund are bedrock for future social stability in this Island, and any use of it needs to be managed with great care.

The third point that has come out really wonderfully from the other Hon. Member for Ramsey, Mr Hooper, is that this needs to be seen in the context of minimum income standards and the wider context of making sure that tax, National Insurance, benefits, wages and so much more come together in the coming years using things like the Smart Service Framework and the calculations now of the minimum income standards, and that is all on the table.

In the Island we are not naturally inclined to look for change, to accept change, but I think we do need to make changes in all of those three areas in coming years and decades, and I think that is why Mr Robertshaw put this motion on the table. I will be voting against both the motion and the amendment, but what has been said has been said, and it is wonderful that it has been

230 said, and we can all be reassured because basically after changes upon changes we will be more or less the same and we will be in a better place because of the changes – and we do need to make those changes in coming years and decades.

With that, Mr President, I beg to sit down. *(Laughter)*

235 **The Deputy Speaker:** Granted.

The President: Ms Edge.

240 **Ms Edge:** Thank you, Mr President. I was not actually going to say too much about this, but you let me go home and sleep on it!

With regard to the amendment and basically doing a review of the National Insurance Fund, this morning all I have really heard is that we have not got the systems in place, we have not got statistics in place; but I think what we are all talking about here, when we are asking for a review, is to make sure we have got the right policy in place, and I am not so sure we have.

245 I am aware of constituents, like many of us are, who have mental issues, cannot get out of the house, cannot get sick notes and therefore their NI does not get paid. We have people who are really suffering and because of these simple systems that affect people in individual ways their National Insurance contributions do not get paid. There are lots of areas. If a review of this insurance policy was looked at, that would cover all of the difficulties of a lot of our people who are actually in those situations here today.

250 One of the things I did want to pick up on is that we are all very passionate about our National Insurance Fund for the Manx people. I am sure there will be some people in here who will remember when our National Insurance Fund had a large amount of money taken from it, and it has never been put back. I think any review could look at the future. I think it is very credible that Treasury have managed to get the Fund back into a position where it is looking more sound than it was; however, we can write £90 million off for the MUA and we can do all these other things, but when it comes to our National Insurance Fund, years ago when we took that money out it never went back.

260 My big concern here is that if we do not do a review of the National Insurance Fund, how do we know what the policy is of the future? We keep saying we are waiting for the Health Services review. Why can't we be more agile with policy, instead of waiting and waiting for systems reviews, and consider the policy as a whole? And a review, I do feel, needs to take place. When people are still working, why can't they pay National Insurance? There are a lot of people working into their 70s these days. Why can't they be considering paying National Insurance?

265 So, I do not see anything wrong with doing a review of anything. It gives us correct facts in front of us to make proper decisions. We have heard Members say we are waiting for answers for the National Health review. We did not have the facts quite clearly in front of us when we made the decision to do that review, so I think reviewing any system is a good, sound way of developing the right policy for this Island.

270 Thank you, Mr President.

The President: Hon. Member, Mr Baker.

Mr Baker: Thank you, Mr President.

275 Listening to the debate intently, I think it has been a really good debate. I just wanted to rise to respond to some of the very positive things that Mr Shimmins has brought to the Court's attention.

I fully agree that a holistic view is required, that it is easy to fixate on one part of the system, as in the National Insurance, but the National Insurance, the tax and the benefits system all dovetail together to deliver the outcomes for our citizens.

Mr Shimmins, I am sure quite accurately, said that a person on Minimum Wage was I think around £300 or so better off than their counterpart in the UK. I take no dispute with that. What I wanted to highlight, though, was that actually the cost base of people living on our Island is much higher than it would be in the UK. Housing costs are extremely expensive relative to the vast majority of the UK and certainly the north of England, which we would mainly compare ourselves with. Our food costs are higher. Childcare is very expensive on the Island. Travel is very high. What I observe is a lot of families, who are actually in quite good jobs with probably both partners working, really struggling to balance the conflicting demands of work, children, perhaps caring for elderly family members and also having a family life as well. It is a very difficult balance for people to get at the best of times but particularly difficult when you are in financially challenging circumstances.

I think we are very lucky on the Island that we do not have the extremes of poverty that we see on the adjacent isle, but we do have some real hidden poverty, people who are really struggling and just about getting by. My observation is that many people have very little margin for error. The Hon. Member for Ramsey, Dr Allinson has mentioned an example of somebody where bereavement has posed challenges, but we get the same thing with family illness or people losing their jobs, or other shocks to the system which can just tip the balance between somebody being in a sustainable position and somebody really struggling.

So, in echoing and endorsing Mr Shimmins' comments re a holistic view, we need to look not just at the tax, benefits and National Insurance system but actually the real cost of living on the Island, and that needs to be at the heart of our policy making.

I believe that the commitments that have been made in this Hon. Court over the last few hours really give me confidence that Treasury recognises these issues and that Government recognises these issues, and of course caring and inclusivity are at the heart of the Programme for Government. So, I think from my point of view I am going to take the commitments that have been made at face value. I am going to show a bit of trust but I am obviously going to be looking to see that worked out in the policies that come forward over the coming months and years, but I do think we absolutely need to crystallise the key points out of this debate.

Wherever the voting goes, I think the people of the Isle of Man, particularly the lower people, are ultimately going to be the winners from the motion that Mr Robertshaw has brought.

On reflection, this has come round full circle because we do have a great deal of inequality on the Island. We have probably got more extremes of inequality than you would have in most societies, and it is much closer together because we are in a confined space. If we bring it back to Mr Cretney's motion yesterday, it was all about inequality and does it matter: we have it, and yes, it does matter.

Thank you, Mr President.

The President: I call on the mover to reply. Mr Robertshaw.

The Deputy Speaker: Thank you, Mr President.

May I thank Mrs Barber for seconding my motion. And thank you for all the excellent contributions that we have heard during what I consider to be a very important debate. I hope in the future we have more debates of this quality and standard.

If I can talk in reverse order, if I may, coming first of all to Mr Baker's contribution, he raised the point about comparative living costs and he linked it to the Hon. Member for Middle, Mr Shimmins' comments about effectively the difference. I absolutely concur with Mr Baker's comments that it is more expensive for people on low pay on the Isle of Man to cope. Many of them are just coping. I am standing here now because I am worried about those people, particularly those who are singletons, who are coping on a wage on or below the living wage and living on their own. I am sure all Members understand they are just coping, and sometimes not, which is why we have had the other debates about the Hon. Member of Council, Mr Cretney's desire to focus on the important things that the Director of Public Health was saying, the link

back – it is there. If we can start to meet that need better, then effectively there are going to be significant cost savings in other areas, in mental health and physical health etc. So, in a sense, it is important to see it in the round. And we also had Mr Speaker’s Committee’s good work on poverty.

Yes, it does all link together, but a cautionary note about the difference. We know already it is more expensive to live over here, but if tomorrow there is a Conservative government they are going to move that threshold up again to £9,500 – and we are on £6,500 – and they have indicated they are going to go to £12,500 within the life of that House, and they probably will have to if they are going to have any chance in their position of capturing Labour votes in five years’ time. So, the threshold in the UK will be £12,500 and here it will be £6,500. I have done the maths on that, as the Americans say, and I am telling you now that if that happens and we do not do something in the near future, the position of tax and insurance for those on the living wage or below ... their available disposable income will be the same, and yet higher costs. So, the clock is ticking, Hon. Members, on this one; it is ticking. We have got to be very careful about that.

Continuing in reverse order, Ms Edge – I am grateful for the Hon. Member for Onchan’s contribution and the sense that we need to be more agile. We are not agile at all at the moment.

Again, Mr Shimmins is right about the lack of competence of the IT system. It is as clunky as anything, it really is. Let’s just stop and think about that for a second. We have got a Health Service which is being dragged back because of technology being not sufficiently good enough for purpose for probably another five years. We have got Treasury now saying the same thing. We have got the Minister for Policy and Reform talking about the smart network, which again will require a lot of work – we cannot even get our iPads to work. People – as they say – we have a problem –

Mr Cretney: There’s an elephant in the room.

The Deputy Speaker: – and we had better get a grip of it. We need to start investing a lot more in IT more quickly to get ourselves up to speed and to get our systems to work properly. There are no ifs or buts about that, but we are not at the moment anywhere close to where we need to be on that issue.

One of the trends that ran through a lot of Members’ contributions was the absolute importance of the NI Fund, and I absolutely concur with that point. I do remind Hon. Members that as I was listening to the Treasury Minister’s contributions on the radio, on emails to you and his contribution to the debate yesterday, he was expressing this thing about how important it is to be the custodian of the NI Fund. He talked about this theoretical £9 million hole which he created out of his own imagination, and indicated in his radio contribution and his email to you that somehow – and I am hurt by what he said – this administration is more caring or more concerned about the NI Fund than the previous one, and I really must challenge him on that.

Let me just remind him where we were at the beginning of the last House. The Chief Minister before last had boasted in London about how well the Isle of Man was doing, and the roof fell in and we lost millions and millions of pounds of our income. At the beginning of the last administration we were also post Lehman’s crash, where the world had fallen apart and our economy in real terms was flat-lining in a significant way. We had high levels of unemployment. We had massive gaps in our Budget, and every month, every week, every day the last administration was working through those problems it was being as prudent and as careful as it possibly could be. At the end of it, we got to a situation where unemployment was going down, where the Budget position was significantly improving and the economy was on the turn. It was a dark time. That last administration was *not* profligate; it was incredibly prudent.

I am disappointed that the Treasury Minister, in all those points that I just made there, has shown himself to be somehow the saviour of all of this. He is actually reaping the rewards (**Two Members:** Hear, hear.) of the hard work that was put in, in the last House – including,

385 incidentally, the Ci65 report, which was the genesis of the single-tier pension which is going to help to stabilise the long-term value of the NI Fund – so I will not be lectured by the Treasury Minister over something like that. Also as an output from the single-tier pension is the concept of the contributions being redirected – NI contributions for Government staff – into the NI Fund, which will turn into an additional around about £7 million. So, I will not be lectured by the
390 Treasury Minister. I actually tried to avoid having this engagement, this exchange, in the first instance. I did not react when he spoke about it on the radio, I did not react when I contributed my first speech – I actually turned on myself and made a bit of a fool of myself trying to soften it down. I indicated to the Treasury Minister beforehand that was what I was going to do and he still stood up and denigrated the work of those before him, which I found very, very
395 disappointing indeed.

I am grateful for Dr Allinson's support, the Member for Ramsey. We can do something – and it links with the Member for Onchan, Ms Edge's points: we can do something. It was no fly-by-night, silly idea that I tried to put it in the form of a motion in the first place. It was after a huge amount of thought about the implications of trying to act prudently to do something in the very
400 near future for those just coping, rather than waiting five years for an IT system to be sorted out or a major review of National Insurance. Those people need our help *now*.

When I first went to Treasury and I said we have got to do something, they said, 'Oh, Mr Robertshaw, if you raise the threshold,' – which is now, as we know, way behind the UK – 'the implications of that are going to be very significant for those further up, because if
405 everybody has their threshold moved up then there has got to be money found from somewhere,' which is the people above the current close-out threshold of £40,000. Do you know how many people there are above that level, according to the figures the Treasury have got? It is three and a half thousand. You can only impact on those people so much before it starts to be a real problem, Houston. You have to do it carefully. That is why I consolidated my
410 thinking around the idea of let's be very careful indeed, very prudent about moving that threshold up, but turn back in the form of a rebate to target those who really need help. And then I added the fact that that corresponding then small increase for those further up above the existing threshold – the famous coffee a day thing – would be bearable and reasonable and rational.

415 It is a very tight line indeed about this issue of maintaining the interests of and helping those just coping, and being fair to those further up. I absolutely stand by my motion and I would hope that one or two Members will support it – because if you do not, what is going to happen? We are going to wait for a review, however important that is. We are going to wait for the IT system to get itself sorted out. The just coping are going to wait forever and it just will not do, Hon.
420 Members.

Turning to Mr Moorhouse's comments about the low paid not being able to benefit in the future – I think I have understood him correctly – if we do what the motion suggests: no. Can I just make that point clear, that that would not happen because for a long time the UK and the Isle of Man have had the same entry threshold for National Insurance, which currently for us is
425 £125, but the payment threshold in the UK is higher, and going higher, but in both cases you become able to enjoy credit from that threshold point even if you do not start paying. So, if one moved the threshold up, one could still maintain an entry level for entitlement to benefits. I hope that answers his particular question.

I thank Mrs Poole-Wilson for her strong support but the caution about the review, and I think
430 I have already explained that we cannot wait for a review; we need to do something. It comes back to this thing about being innovative and flexible. I do not know whether Treasury does not want to be, or it is frightened because it has not got the systems in place to do what I have long said, which is identifying personalised service delivery to each member of our society – and Treasury is absolutely nowhere near it at all. So, I am not sure whether their clunky systems will
435 not provide, but this is a specific idea that has zero cost to the NI but helps those who need our support.

With regard to Mr Speaker's amendment, which I found interesting and I would be content to support ... but I am not going to because I just want to keep this issue in mind about the motion that is before Hon. Members today. I will read it: 'That Tynwald is of the opinion that Treasury should implement a targeted rebate of employee National Insurance contributions to benefit the low paid.' It is very open, it hands the baton back to Treasury and we have suggested today it would be zero cost: we do not have to wait for anything. We can act. We can support those who need our help.

With that, Mr President – I hope I have missed nobody off – I stand by my motion. Thank you.

The President: Hon. Members, the motion is that set out at Item 27, and to that there is an amendment in the name of Mr Speaker. I put the amendment first. Those in favour of the amendment, say aye; against, no. The noes have it.

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

In the Keys – Ayes 6, Noes 16

FOR

Dr Allinson
Mrs Barber
Mrs Caine
Mrs Corlett
Ms Edge
Mr Perkins

AGAINST

Mr Ashford
Mr Moorhouse
Mr Baker
Mr Boot
Mr Callister
Mr Cannan
Mr Cregeen
Mr Harmer
Mr Hooper
Mr Malarkey
Mr Peake
Mr Quayle
Mr Shimmins
Mr Skelly
Mr Deputy Speaker
Mr Thomas

The Deputy Speaker: In the House, 6 for and 16 against.

In the Council – Ayes 6, Noes 2

FOR

Miss August-Hanson
Mr Cretney
Mr Crookall
Mrs Lord-Brennan
Mrs Maska
Mrs Sharpe

AGAINST

Mr Henderson
Mrs Poole-Wilson

The President: And in the Council, 6 votes for and 2 against. The Branches are in disagreement; therefore the amendment fails to carry.

I put the motion. Those in favour, say aye; against, no.

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

In the Keys – Ayes 5, Noes 17

FOR

Dr Allinson
Mrs Barber

AGAINST

Mr Ashford
Mr Moorhouse

Mrs Caine
Mr Perkins
Mr Deputy Speaker

Mr Baker
Mr Boot
Mr Callister
Mr Cannan
Mrs Corlett
Mr Cregeen
Ms Edge
Mr Harmer
Mr Hooper
Mr Malarkey
Mr Peake
Mr Quayle
Mr Shimmins
Mr Skelly
Mr Thomas

The Deputy Speaker: Mr President, in the Keys, 5 for and 17 against.

In the Council – Ayes 4, Noes 4

FOR

Miss August-Hanson
Mr Cretney
Mr Crookall
Mrs Sharpe

AGAINST

Mr Henderson
Mrs Lord-Brennan
Mrs Maska
Mrs Poole-Wilson

455 **The President:** And in the Council, 4 votes for and 4 against. My casting vote goes with the Keys. The motion therefore fails to carry.

Mr Cregeen: Mr President, just a point of order: on there, it does say ‘Mr Speaker’ – just for *Hansard* purposes.

460 **The Clerk:** Yes, sir, duly noted.

The President: Yes, noted. Thank you, Hon. Members.

**Procedural –
Public discussion of tabled matters in advance of sittings**

465 **The President:** Hon. Members, before we move on I just want to pick up what the Hon. Mr Deputy Speaker said earlier in his presentation on the previous debate that we just had, when he referred to recent lively political exchanges by the Treasury Minister with himself taking place publicly earlier. Exchanges of this sort between politicians are nothing new but I would just take the opportunity to make a general point.

Members should be mindful that when matters are tabled to be the subject of discussion in Tynwald, the proper place for argument and debate is Tynwald Court itself –

470

The Deputy Speaker: I absolutely agree.

475 **The President:** – and Members should be careful not to pre-empt that debate ahead of time. This applies whether it is parliamentary motions or Questions put down for either Tynwald or the Branches. (**The Deputy Speaker:** Hear, hear.)

Of course, when motions and Questions are published on the Order Paper ahead of the sitting they immediately enter the public domain and naturally become subjects of political interest and public discussion, and of course of legitimate media interest. It would not be at all reasonable, desirable or even practical, therefore, to expect a period of radio silence, or no comment or discussion of such matters yet to come before Tynwald, and I am not suggesting this. But by being mindful to strike the right balance and not to actually pre-empt the debate that is in fact to come, this will avoid any risk of it being thought disrespectful to the Court or to other Members. **(The Deputy Speaker: Hear, hear.)**

Hon. Members, I am not – I stress *not* – necessarily implying that such was the case with this particular matter, but there is a general point to be made and hope that it is helpful to Members to have this guidance from the Chair.

**28. Syrian Refugees (Public Petition) –
Select Committee to investigate feasibility –
Motion lost**

The Hon. Member for Garff (Mrs Caine) to move:

That Tynwald takes note of the Public Petition of Joseph Locke, Alex Kissack and others [PP No 2019/0160] relating to Syrian Refugees, and agrees to establish a Select Committee of three Members to investigate the feasibility of the Isle of Man taking in Syrian refugees.

The President: Hon. Members, we turn to Item 28, Syrian Refugees (Public Petition), and I call the Hon. Member for Garff, Mrs Caine.

Mrs Caine: Thank you, Mr President.

I am pleased to bring forward this motion today in support of students who have followed previous debates on this matter and who have not been satisfied with their Government's policy in respect of refugees. The question of the Isle of Man stepping up its international obligation in terms of humanitarian efforts on behalf of Syrian refugees is one that repeatedly is raised by concerned individuals and groups across the Island. More than six million people have become refugees through events that were not of their making. Thousands become vulnerable as they face a second or third winter under canvas in countries that do not have the capacity to permanently resettle them.

Many people on the Isle of Man have demonstrated ongoing compassion for their plight. The Facebook group Manx Support Refugees recently shipped out 17 boxes of winter coats to those Syrian refugees on a Greek island. More than a thousand people signed a petition presented to the Chief Minister in 2017 to seek support for the Island's more active engagement in the resettlement of refugees. I am constantly surprised by the number of people who actively attempt to do more for Syrian refugees, whose case is special and recognised by the United Nations Refugee Agency as a humanitarian crisis.

In July 2017, Junior Tynwald approved a motion that the Isle of Man should be taking in refugees. A year ago, this Hon. Court narrowly voted against a motion I brought to look at the pros and cons of resettling refugees on the Isle of Man. Despite the responses from the Chief Minister in this Hon. Court to those previous questions and debates, many questions still remain unanswered in terms of whether the Isle of Man *could* accommodate a small number of refugees.

I believe the UK has now resettled around 17,000 of its pledged 20,000 target of people by 2020. But the latest information is also that there are 17,000 refugees – the same number – crowded into Moria refugee camp on one of the Greek islands.

515 We are told by our Government it is more appropriate for the Isle of Man to contribute financially and assist greater numbers that way. Meanwhile, I note from the Cabinet Office website there is no record of any financial donation made to the Syrian situation or through charities supporting Syrian refugees this year from our International Aid budget, as far as I could ascertain.

520 If the Isle of Man stepped up to the same level of commitment as the United Kingdom, the proportionate number of refugees that could potentially come to our Island, if we were able to participate in the resettlement programme, would total 25. The response from the UK government last year was that they would welcome all offers of capacity and support. That does not sound like they rule out other communities, such as ours, participating.

525 But what would it mean in terms of the cost on taxpayers? What would be the impact on our community? Could we co-operate with Northern Ireland's resettlement programme? Could it be funded through our International Aid budget? Would it actually be the best outcome for refugees, considering the possibility of isolation rather than integration? Have we the necessary housing and health services without impacting on services provided for local people? Would
530 funding from the UK resettlement programme be assigned to the Isle of Man, along with the refugees appropriate for the level of provision that could be arranged in the Isle of Man?

Why have there seemingly been greater numbers of Syrian refugees settled successfully in Scotland, Northern Ireland and the north of England compared with the south of England? Could that inform any actions undertaken by the Isle of Man in this area? And what about untapped
535 additional support there could be from Island businesses and the community?

These are all questions that could be answered by a select committee – a committee investigation would give clarity to the students and other people in our community who would like to see the Isle of Man consider what is possible, and what is appropriate for our Island. A key
540 matter before us today is also whether Members believe that this Hon. Court welcomes the engagement by hundreds of young people in the democratic process and will support the action they seek that a select committee of three Members be established to investigate the feasibility of the Isle of Man taking in Syrian refugees. It does not demand that this Hon. Court takes action to accommodate refugees, only that it investigates the feasibility of the Island doing so.

I salute the students of Ballakermeen High School in organising this petition and all those
545 young people who put their name to the petition or the online version.

Mr President, I beg to move the motion standing in my name.

The President: Hon. Member for Douglas East, Mrs Barber.

550 **Mrs Barber:** Thank you, Mr President.

While at a conference in Iceland just a few weeks ago I was privileged to meet an inspirational 10-year-old, Bana, and her mother Fatemah. Bana spoke of her early years in Aleppo, Syria and of the deprivation of her safety and liberty due to a war that she did not start. She talked of the death of her school friend, and of her frustration at missing out on her
555 education and the opportunities it could bring.

She spoke of her delight that Turkey had opened their doors to her family allowing them to live safely and for her and her siblings to be educated. Her mother spoke of their desire to integrate into a new community, to learn about new cultures, to contribute to their host country; but ultimately, when the situation allows, to return home.

560 Bana affirms that a generation of Syrian children are defined only by their refugee status. They have no education and they have no future. She recently tweeted: 'Some people say they don't want refugees in their country. They want them to go home, even though they have no home anymore; or to go "somewhere else", even though the "somewhere else" might not welcome them either. But there is no place for people to go. If you had no country or your
565 parents or children were going to be killed, what would you do?'

It is incredible to consider how a simple arbitrary border line divides normality from chaos, peace from war; and how something over which you have absolutely no control, your birthplace, can define your whole life.

570 And all the while the situation in Syria is worsening. The bombs continue to drop, people continue to die and the neighbouring safe zones become less safe. Every winter spent displaced in makeshift tents in overflowing refugee camps presents a greater risk of disease and death for these fellow humans. Because I assure you that is our primary defining feature: we are *all* humans.

575 Yet, since 2016 there has been no update to the Tynwald position paper relating to Syrian refugees. The committee, as requested through this petition, would allow this position to be reviewed with a transparent and open consideration of how best we can assist those people affected so gravely by a simple accident of birth.

580 Now I would like to talk about another group of inspirational young people. This petition came from a group of inspirational young people on our Island, a group of people who cannot understand why our Government has refused to look into this further and publish the information they have. A group of people who are engaging in politics.

585 Something this Hon. Court regularly talks about and discusses how to promote is youth engagement in politics – well, I can tell you how not to do it. To vote against this sensible and rational request for further exploration of this critical international issue would disengage a group of young people. That is how not to do it. (**A Member:** Hear, hear.)

One of the petitioners signed the petition on his 16th birthday, the date he became eligible to sign a petition. On his 16th birthday he was fighting for the rights of others. If that does not inspire confidence in our future, I do not know what will.

590 I ask you all, how much worse does the situation have to get before the Isle of Man *properly* considers – because all we are being requested to do here is *consider* – how best we can support the Syrian refugees?

Thank you, Mr President.

Several Members: Hear, hear.

595

The President: Hon. Member for Ramsey, Dr Allinson.

Dr Allinson: Thank you, Mr President.

600 And I would like to thank the two former Hon. Members for their speeches, which were extremely impassioned.

605 The Syrian situation is man-made. Syria used to be an extremely cosmopolitan, diverse society but the civil war that broke out in 2011 has decimated the country, killed over half a million people, made 7.6 million internally displaced, and five million refugees who have been scattered mainly in the surrounding countries – Turkey, Lebanon, Jordan and Egypt. Funnily enough only a minority have been forced into camps, most of them are actually paying for overpriced rent in those countries that have taken on the responsibility of housing them and feeding them.

610 So we are dealing with not a natural disaster as we sometimes see on the news, but a man-made disaster which has been played out with various world powers. At the recent NATO conference, President Erdoğan of Turkey announced that he was going to try to resettle over a million refugees into Northern Syria which had previously been invaded, to deal with what they see as a Kurdish problem – but in fact is what *is* Syria. Syrian society is very diverse, it includes Sunnis, Christians, Alawites, Druze, Ismailis, Mandaean, Shiites, Salafis, Yazidis and Jews – it has always been like that and it always will be like that, but at the moment it is fragmented.

615 Saying all that, I actually agree with the current Government policy. I think what the Government has tried to do is balance its position as a key player in the international realm with its ability to provide aid. The Hon. Member from Garff, Mrs Caine is incorrect in terms of the

ongoing money that is being spent in Syria and in Turkey and in surrounding countries supporting Syrian refugees – over one and a half million up until the last tax year. That is ongoing money that is being spent which has benefited over 35,000 people in those regions and which is being directed by non-government organisations to reach the very people who need it.

If we are going to look at bringing Syrian refugees over to the Isle of Man there are some serious hurdles in that, we would need to use the UK Syrian Vulnerable Persons Resettlement Scheme, which has very tight conditions. We would need to deal with housing; we would need to deal with the provision of medical treatment; we would need to deal with social security and the benefit system – because at the moment to access that you need to be resident here. These people would not be; they would be refugees. We would need to look at the provision of trauma-based counselling, especially for post-traumatic stress disorder and how that would be provided by the Health Service. We would need to look at interpreter services. There are several Arabic dialects spoken and we have got the Kurdish people as well, and the Kurdish community to deal with.

There seems to be a lack of an established Syrian community on the Island and if we are going to try to get unaccompanied minors they need to have that exposure to their own culture here. Then we have got to talk about jobs and education as well. So there are lots of barriers to actually bringing Syrian refugees here.

But that is not what this motion is about. It is not about those barriers; it is about setting up a committee to analyse those. That is what I *think* are the barriers but I do not *know* what the barriers are. As I said, I completely support the Government policy but I do think we need to look in a bit more detail on this. And more than that, as the Hon. Member, Mrs Barber has said, we need to look at why this motion is very different to the previous motion. This motion has been brought by young people and students. In 2017 Junior Tynwald brought a similar motion and passed it, that a committee should be set up.

So whilst I do not disagree with the current Government policy I think the Isle of Man is doing an awful lot both in terms of Government and the people in the Isle of Man trying to help Syrian refugees. I do support the right of young people to bring such a petition to Tynwald, the right for us to debate it and the right for us to act on it. And with that, I support this motion, Mr President.

A Member: Hear, hear.

The President: Hon. Member for Middle, the Chief Minister, Mr Quayle.

The Chief Minister (Mr Quayle): Thank you, Mr President.

Firstly, I would like to thank Joseph and Alex for bringing this petition forward. The work they have done to raise awareness of this issue is commendable and should be welcomed.

The conflict in Syria has led to one of the worst humanitarian crises and as an internationally responsible and caring Island we have a role to play in helping those vulnerable people facing unthinkable hardship. The Isle of Man Government has historically, and continues to provide funding to support refugees who have been displaced by war, famine or other disasters in their home countries.

Mr President, the issue remains that there is still a disagreement on the best way in which we, as an Island, can provide the most effective support to those caught up in this terrible conflict. I know I have outlined this before, but it is worth repeating: that the decision to accept and set the criteria under which refugees can be accepted is a matter for the sovereign state. The Isle of Man does not have the legal authority or mechanisms to determine its own scheme for accepting refugees. The Island is therefore unable to accept refugees by any other means, other than through a UK scheme.

In 2014, the Syrian Vulnerable Persons Resettlement Scheme was launched and was intended to provide sanctuary for several hundred Syrian refugees. This was expanded in 2015 with the

UK government announcing it would resettle a further 20,000 Syrian refugees in need of protection. Following the UK's announcement and given the scale of the humanitarian crisis in Syria, both the previous administration and this administration gave detailed consideration to the Isle of Man taking Syrian refugees as part of the UK government's scheme.

The UK's resettlement of refugees draws on the UK government and local authorities' significant experience of resettling vulnerable people and existing domestic resettlement mechanisms. The scheme aims to resettle those in desperate need of assistance. This includes women and children at risk, people in severe need of medical care and survivors of torture and violence. The success of resettlement in the UK has been achieved by the UK government working in partnership with over 300 local authorities who are participating in delivering the current scheme.

Participants in the scheme were identified in Syria by the United Nations High Commissioner for Refugees – who I shall in future call UNHCR – based on criteria from the UK government. Refugees are then placed with local authorities which have volunteered to be part of the scheme and have the adequate infrastructure and the ability to accommodate refugees with all degrees of vulnerability. I should add, Mr President, that local authorities are unable to select the candidates they wish to resettle.

The UK's Department for International Development and Her Majesty's Treasury provide funding to local authorities, such as the Islands in Scotland, to support them to deliver this. It is important to note that the Isle of Man would not be entitled to any funding from the UK Resettlement Scheme or from the UK government. Any cost incurred on the Island to provide the relevant benefits, services and support infrastructure would have to be found from within our existing budget.

The services, support and level of care which local authorities are required to provide for any persons resettled under the scheme are set out in detail in publicly available documents. This includes in the first year: accommodation; reception arrangements; a dedicated caseworker; special needs/community care needs; education for under-18s; English language provision; and healthcare provision.

The last administration, and this administration, has carefully considered whether the Island has the necessary, and vital, capability to provide parity with the level of care and services available in the United Kingdom. This is essential for refugees to rebuild independent lives and for us to make any offer of support to the UK government under their scheme.

The Council of Ministers gave particular attention to the ability to provide public housing, social security, healthcare, education and language services to support the most vulnerable refugees – some of which would require legislative changes in order to remove the existing residential qualifications to allow refugees to access these services; and some for which we have only finite resources, available specialists, or any equivalent provision at all given our size and location. Therefore I cannot understand the need for a committee to be established to investigate the feasibility of accepting Syrian refugees.

I rarely disagree with my good friend from Ramsey, the Member for my Department, Dr Allinson, but he sits on the Department, he knows all these facts and figures, and we have already looked at this, Mr President. The evidence is out there and anyone can get this information on the UK schemes.

After having fully considered these matters the Council of Ministers, on both occasions, determined the Isle of Man was not able to participate in the scheme as the supporting infrastructure, which is so vital, is not in place to meet the *specific* needs of those vulnerable Syrian refugees whom the UK is seeking to resettle. However, the Council of Ministers did look at ways to ensure that the Island could continue to play its part in helping to respond to the Syrian refugee crisis and other international humanitarian crises. Both the current and previous Council of Ministers agreed that the most effective and efficient way for the Island to provide help to the greatest number of refugees was by directing funds to charities and organisations

working in the affected regions to address the specific needs of the affected population as quickly as possible.

Now, if I can refer to the Hon. Member for Garff, Mrs Caine, I was particularly upset about this 'stepping up'. She said the Island should step up. Now, I found that quite disgraceful, because the Island *has* stepped up. It has not said we are not going to help these people. We have looked at what is the best way, if we spend a certain amount of money, what can we do to help these people and refugees in general? It is not a case of that we have done nothing and we need to step up – I thought that was a dreadful thing to say, really.

To date, the Isle of Man Government and the people of the Isle of Man have provided approximately £1.7 million to support thousands of Syrian refugees. In April this year the Council of Ministers approved a further £200,000 donation to the UNHCR. The funding the Isle of Man has given to the UNHCR to date has provided vital assistance for over 60,000 Syrian refugees. We have provided over 30,000 refugees with warm winter clothing, over 5,000 with bedding and heating stoves, 2,000 with household items such as mattresses and sleeping mats, over 5,000 with shelter and winter-proofing items and 15,000 refugees with cash assistance grants.

Now, the Hon. Members for Douglas East and Garff made out that the Government had not done any more. They could not find it on the website. All they had to do was pick up the phone, Hon. Members, and speak to our External Relations team who would have given them all this information and pointed out the £200,000 that we have given this year. Not only that, the Council of Ministers has also approved an additional £100,000 funding for the Isle of Man Government International Development Partnership's funding stream. This will be ring fenced to specifically support a project to help those affected by the Syrian refugee crisis. Charities working in the region will be invited to apply for the £100,000 in early 2020 when applications open for this funding stream.

By way of comparison, based on UK financial estimates, if 25 refugees had been resettled in the UK this would be in the region of £1.6 million over five years, and so a similar figure can be estimated for the Isle of Man. In fact, despite what Mrs Caine has stated about us stepping up, we have spent more than the money that we would had to have spent if we had brought 25 people. I think that is what is important, Hon. Members. We have not said no, we have looked at the evidence. We have looked at the fact that we cannot do our own scheme, so we have looked at all the evidence – and that is fully available for any Member to go online and check.

We have decided to help tens of thousands of people with support rather than help 25 people where we do not have the right mechanism. Surely to goodness this is the best way! And that is not just this administration; it is the previous administration which have agreed this.

Hon. Members, I would also stress that as a result of war, famine or other disasters in their home countries there are displaced persons across the globe. Our decision to direct funds to charities and organisations working in the affected regions has meant that the Isle of Man Government has also been able to support refugees in other regions who are facing equal unimaginable hardship.

I do not disagree with what the Hon. Member, Mrs Barber, from Douglas East said about the problems these refugees are facing, that is a given. It is a horrible, horrible world out there. But we have felt that the way Manx taxpayers' money can be spent helping tens of thousands of people in their area is better than spending that money on 25 people on the Isle of Man. We have spent the money, we did not say no, we are not going to do it; we have done what we felt was right, with all the evidence from the UK scheme, the last administration and this administration.

Mr President, the commitment of the Council of Ministers to ensuring the Island continues to provide support to refugees across the world remains absolute. Our decisions to direct funds to charities and organisations working in the affected regions has meant that the Isle of Man Government has been able to support refugees in other regions who are facing equal hardship. We have recently supported Rohingya Muslims forced to leave everything behind and flee their

homes in Myanmar. We have also in recent years supported refugees in the Republic of Chad, Uganda, Northern Iraq and Niger.

775 However, as I have already said, the Council of Ministers has given full and very careful consideration to this matter. With no material changes to the UK scheme to consider I cannot support the Hon. Member's motion to establish a Committee to investigate the feasibility of the Island resettling Syrian Refugees. I firmly believe that the Island continues to provide the most effective support to the greatest number of vulnerable people through our funding to
780 organisations working in Syria and the surrounding regions and that is where we should continue to focus our efforts.

Thank you.

The President: Hon. Member for Middle, Mr Shimmins.

785 **Mr Shimmins:** Thank you, Mr President.

Last November we had a debate on a committee to investigate Syrian refugees. Overall, just to remind Hon. Members 20 of you voted in favour of a committee that time, with 11 against. The motion was lost in the Keys, 11 votes to 10, and it was a close vote and I think that reflected
790 the divided opinion in the Court.

So what has changed since then? Well, the same Hon. Members make up this Court. Will they vote differently? What is the point of having another debate? We have got the same people. We will see.

The plight of the refugees has worsened in the last year and they have spent another year
795 away from their bombed-out homes and they remain unable to return to their country without risking death and oppression, as Mrs Barber highlighted.

What is really different this time is of course that this debate is in response to concerns raised by our young people. And I would stress again, Hon. Members, we are not being asked to agree to receive refugees, but set up a committee to investigate the possibility and that is a very
800 important distinction which we all need just to keep in mind.

I would ask you to hark your minds back to yesterday, to when the Minister for Policy and Reform was asked the question on electronic voting. In his response he delivered a motivational speech on how everyone should encourage electoral participation by engaging with the public. He said we should restore trust by addressing the important issues. These are clearly important
805 issues for our young people. As you can tell, Hon. Members, I was listening intently. My ears were wide open. It was most uplifting. And what an opportunity we have just the next day with the petition from these brave students from Ballakermeen High School.

You will recall the Hon. Member for Douglas Central also asked us to debunk myths – 'to restore trust in politics' were the words he used. What a great opportunity we have here today,
810 Hon. Members, because there are many myths on both sides of this debate on refugees. It is undoubtedly harder than some think for the Island to accept refugees. On the other side, some of the dire consequences put about on the impact of refugees are overdone and, in my view, alarmist.

A committee would investigate and debunk these various myths and provide rational and
815 thoughtful recommendations to this Hon. Court to consider. So will the Minister for Policy and Reform answer his own clarion call which rang around this Chamber yesterday? Or was he just espousing empty rhetoric? (**The Deputy Speaker:** Oh, never!) We shall see when the vote comes. It will be soon enough.

Yesterday, we also heard the Minister for Infrastructure answer questions on why there is no
820 vehicle tax on electric cars. Another thing that happened yesterday was that representatives from the United Nations came together in Madrid to debate climate change. Yesterday, they heard that the Greenland ice shelf is melting seven times faster than it was in the 1990s. The sea level will rise and this, together with the other climate change impacts, will mean that millions of people will no longer be able to live in their homes. There will be many more refugees in the

825 future, Hon. Members. Some of those most threatened by climate change and sea level rise are islanders like ourselves – small nations.

How will we respond to *their* calls for help? Will we close our ears? Will we avert our eyes then? I hope not.

830 What is clear to me is that the refugee issue is not going to go away. It is likely to get worse. Whether it is Syria, other conflicts or climate change refugees around the world will continue to need help. That is why a committee would be helpful.

I would stress again: I do not underestimate the difficulties in accepting refugees. Our health service is struggling; there are obvious issues in education and housing; the finances are tight. I listened to my constituency colleague, Mr Quayle, and I hope that he will be able to provide all
835 the evidence from the full consideration. I think a lot of work has been undertaken by him and others in the Cabinet Office on this matter and I think that would assist the committee.

We should trust the committee, I am sure they would take account of all the work that has already been done before. The outcome may well be the continuation of the existing Cabinet Office policy. But we should not prejudge the outcome. A committee set up by Tynwald would
840 consider all of the aspects and provide a balanced and thoughtful set of recommendations which would come back to this Hon. Court to consider in the normal course.

I would argue that is the sensible thing to do.

Before closing, I must commend the students who have brought forward this petition. It is really good to see them here today. And I will certainly be supporting their request for a
845 committee.

The President: Hon. Member of Council, Mrs Sharpe.

Mrs Sharpe: Thank you, Mr President.

850 I would like to thank the Hon. Member for Garff, Mrs Caine for bringing this important motion before this Hon. Court. As we have heard, it is a year since we debated whether the Isle of Man Government should consider taking Syrian refugees and clearly this is a subject which is not going away, because the sad and desperate plight of the people of Syria is not going away.

The Chief Minister assures us that Government has examined this question and has spent
855 £1.7 million on Syrian refugees and helped over 60,000 refugees; and I do applaud this. It is argued that you cannot help everybody, and that to target one specific small number, perhaps 25 people over others would be simply unfair. And yet at the same time I cannot help wondering if the Jewish children who escaped Germany on the last Kindertransport trains would agree with that. What would have happened if those who had helped a relatively small number of
860 European Jewish children had said 'It simply would not be fair to help this relatively small number of children so we will leave them to be sent to the concentration camps'.

You might think that this is a different situation we are talking about with Syrian refugees but we know that children and adults are being raped, going missing, murdered even in the refugee camps across Europe. Some of the young people on this Island who are in the Gallery now have
865 brought this to our attention and they are asking us to consider whether we as Tynwald Court can do anything to help.

I watched a studio-based documentary once about Sir Nicholas Winton, the British man responsible for helping many of the European Jewish children to safety. At the end of the programme the presenter asked all those in the studio audience who had been helped by
870 Sir Nicholas to please stand up. Almost the entire audience got to their feet, because when you help one person in need you are not just helping that one person, you are also helping their spouse, their children and their children's children; their family and their friends and their neighbours who might still be in the home country.

The fact of the matter is that when someone comes to you personally in this life asking for
875 help you have to do what you can. Our young people have brought the specific plight of the Syrian refugees to us and what has brought me to my feet today is the feeling that I am not yet

convinced that we can put our hands on our hearts and say that we have thoroughly considered the possibility.

880 The Chief Minister points out, and this is a fact at the moment, that we do not necessarily have the resources to deal with Syrian refugees here on the Island. But it seems a shame that displaced people should be automatically regarded as a drain. It makes me wonder: is it the case that we in stable countries are so conceited that we think we cannot learn anything new? Are we so narrow minded that we cannot envisage our culture being enriched by visitors with a new perspective? History proves that immigrants make great entrepreneurs. After all, they have
885 already had in-depth experience of risk and are far more likely to start new businesses, come up with fresh ideas and work hard.

What about all Syrian Manx music which has yet to be written? What a unique fusion that would be. Or how about the new Syrian Manx slam poetry yet to be written, inspired by the juxtaposition between war-torn Syria and the majesty of the Manx countryside? By the way, the
890 Betjeman 2017 Prize for Poetry in the 10-to-13-year-old category was won by Amineh Abou Kerech, a Syrian refugee who had only spoken English for one year.

I realise this sounds all very romantic and I am not naive enough to know that people with post-traumatic stress would not bring their own complexities. But let's look at the facts. What happens when Syria is ready to be rebuilt? In 1992 I saw with my own eyes the voraciousness of
895 the Chinese nation in that first year that the population was allowed to open personal bank accounts. People were building skyscrapers with their bare hands with sand and cement brought in on yokes across their shoulders. The people of China were united in turning their country into an economic powerhouse.

And Syria's turn will come. Wouldn't it be great for the Isle of Man to have strong
900 relationships with those who will be returning to rebuild the country? Wouldn't it be fortuitous for the Isle of Man to be in the vanguard of a green shoot economy?

I suggest to you, Hon. Members, that we have not yet fully examined the feasibility of welcoming a small group of Syrian people to our shores. It has been pointed out that we do not have the resources available at the moment but what we do know is that there are many people
905 on this Island, many wealthy people, who would be happy to welcome Syrian refugees into their homes. Is it not possible, as Mrs Caine says, that there could be resources that we have not yet examined. Could we combine our efforts with Northern Ireland? Could we obtain more resources from the UK?

I would suggest that what we might do is the brave and at the same time sensible and
910 honourable thing: investigate the feasibility of giving a small group of Syrians some shelter for a while. And in doing so, as Mrs Barber and Mr Shimmins point out, show our young people – the next generation – that we are listening to them and that we do care. As a parliament we are 2,000 years old. The amount of time the visitors would spend with us would be relatively short, (A Member: One thousand.) but the impact on their future lives and our own would be
915 immeasurable.

Thank you.

The President: One thousand years old!

920 **Mrs Sharpe:** One thousand, sorry! Maths is not my strong point.

The President: It feels like two thousand! *(Laughter)*

A Member: Point taken!

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The President: Hon. Member for Ramsey, Mr Hooper.

Mr Hooper: Thank you very much, Mr President.

930 I was not intending to speak today but I just feel like it is worth commenting on the UK schemes very briefly, just off the back of something the Chief Minister said.

I think the Chief Minister did make a very good case, when he talked about the UK schemes, which do not currently include the Isle of Man and they have a much different approach than we do. The three UK schemes that currently exist actually are all funded by their overseas aid budget, as far as I understand it; and we have already acknowledged that we are spending a significant portion of our overseas aid budget on refugees anyway. So if there is a review of this policy, surely some of the resources are already there. I am not saying it is a one or the other approach but I am saying that there should be some flexibility there, if we look at simply what is happening in the UK.

940 It was announced in June this year by the UK government that they are looking to merge and reform all three of their resettlement schemes – currently they are focused on Syria but actually they are planning, according to their news release at least, to expand the geographical reach of these schemes which would address the Chief Minister’s concern, I think, that actually there are refugees from all over the world that may need support. The UK is reaching out to all these countries now and saying ‘Okay, let’s see if we can broaden our efforts’. If they are undertaking a review now with the intention of relaunching these schemes in 2020, surely now is the right time for the Isle of Man to review our approach. If the UK are already going through a review process, if we do want to be included in their schemes, now is the right time to ask them that question. (**A Member:** Good point.)

950 I would just like to conclude that the Chief Minister has talked already about the great work that is done by the Isle of Man with their overseas aid and I think I would like to acknowledge that work. But I would just like to briefly comment again on a press release from the UNHCR, where they said in 2019 they estimated 1.4 million refugees currently residing in 65 host countries will need resettlement. And so whatever we do, however much money that we give to charities, to worldwide organisations, these 1.4 million people still need resettlement. And I think it is incumbent on the Isle of Man to look at whether we can help even a small number of those millions that do need some kind of resettlement.

Thank you.

960 **The President:** Hon. Member for Onchan, Ms Edge.

Ms Edge: Thank you, Mr President.

I am standing up really to move an amendment to this motion to refer it to the Social Affairs Policy Review Committee.

965 Obviously I have listened to the debate and I feel most people have acknowledged our young students from our schools in the audience. And the reason I am moving the amendment is that I am feeling a sense in the Hon. Court that the committee that Mrs Caine has proposed is not going to get the support from the Council of Ministers. So I am hopeful that if it is referred to a standing committee of Tynwald they may support an amendment on this.

970 I do believe that we are providing probably at the moment better support the way that we are. However, if we do not look at something and review it, how do we ever know? It is quite clear, and many Members have stated that Comin have done a lot of hard work on this. I have not seen that work; I do not know what it involves. And I feel that by a committee reviewing this and putting on statute a report into the situation that we have looked at this, we have fully looked at every opportunity.

975 The Hon. Member for Ramsey, Dr Allinson stated that there are possible barriers. We do not know what all of this is and this is the second time that we have debated it. I feel it is important that Tynwald does look at it and does carry out a full report into it and then, obviously the Hon. Court can debate that report and decide from there. And it just really concerns me that Comin thinks that they have done the work and they have decided and that everybody else in here has not seen any of this. I think if it goes to a Social Affairs Policy Review Committee that we can see

all of this evidence, it can all be pulled together in one place and I feel that we will have done the right thing for the petitioners today and also for Mrs Caine's two motions.

I beg to move the amendment, Mr President:

To leave out all the words after the words 'relating to Syrian Refugees, and' and to insert the words 'refers the Petition to the Social Affairs Policy Review Committee to investigate the feasibility of the Isle of Man taking in Syrian refugees and to report by July 2020'.

The President: Hon. Member of Council, Miss August-Hanson.

Miss August-Hanson: Thank you, Mr President.

I would like to second it, simply because I think it is worth a discussion and I believe that there is some level of support for it from the mover.

Thank you, Mr President.

The President: The Hon. Member for Douglas Central, Mr Thomas.

The Minister for Policy and Reform (Mr Thomas): Thank you, Mr President.

The first point to say is that the information and the analysis that Government has done through officers, through lots of dialogue internationally is all published. There is a dedicated page and it is available there and the arguments have been presented in simple form, and any more information that is needed or any more numbers that are needed have always been provided to any point.

The second point I want to stress is that the word of 2019, I understand, the word that has been used much more than any other word, and it is huge compared to any other word in 2019 compared to the word in 2018 and 2017, is 'youthquake'. Youthquakes have saved this planet by drawing to the attention of politicians, public policy, the issue of climate change and youth throughout the world is really focusing the minds of politicians. What I am saying by this is thank you to my own daughter and her friends and all the other people that Ballakermeen who have actually thought about this and put this petition before us.

The Voltaire Society of Ballakermeen actually called Government to debate with them this issue 14 months or so ago. The Voltaire Society is the debating society at Ballakermeen, I was nominated to go and it is one of the best political debates I have had in the last 15 months. *(Laughter)* No disrespect to anybody in this Court but it was an excellent occasion to actually have that. As part of that process we refined the way that we actually presented information and analysed information about this issue, so not only thank you very much for raising the issue but also thank you to the students for helping us explain it better.

Another point that came out in that debate with the students who were causing youthquakes in all sorts of policy areas is that we do not want to mix up refugees and participating in refugee schemes with the Manx openness to immigration and the Manx openness to cultural assimilation – the sorts of points that were made by Council Member, Mrs Sharpe. **(A Member: Hear, hear.)** Culture Vannin has supported Manx-Bulgarian culture experiments; Culture Vannin and has supported Manx-Bangladeshi cultural experiments. And the great thing about our Island is that nobody lived here 11,000 years ago because it was under the ice-cap down from Scotland. Everybody came here at some point over the last 11,000 years. Half the people on the Isle of Man were not born in the Isle of Man and the Isle of Man is a welcoming place; and it was so sad to me to think that there were people at Ballakermeen who did not believe that we are welcoming immigration. *We are.*

So now I come to the rhetoric and the cultural call. A couple of people who have spoken today particularly have basically said that we need to consider, even though our minds are already made up because Government's evidence is quite persuasive – perhaps, but I am not naming who those people are, but that has sort of been the argument. It is an old rhetorical

device, it is an old political technique to actually use a committee to lure ideas and to strangle them slowly down the cul-de-sac of a committee, where the evidence is looked at again and you could pretend that all you have done is create a committee and it is only fair that that possibility is raised at this occasion. Government has considered the evidence and it does not look like it is possible to do what this petition calls for. So it would be completely illogical for Government Members to actually in any way support the luring into a cul-de-sac of a committee to strangle it slowly, the idea, because that would acknowledge the thing.

Obviously, every member of Government's minds are torn because inquiry, investigation is always helpful especially in the light of the new information that has been suggested. With the amendment that is on the table to think about a Policy Review Committee looking at this, what I say to that as a member of Government is that Policy Review Committees can look at whatever they want. In fact they should be looking at whatever they want; they should be raising important issues and calling for evidence from people. Perhaps the Social Affairs Review Committee is not quite the right place because the Social Affairs Committee can only by itself probably look at the issues of health and education and social care and the like, and it would have to work with the Economic Affairs Committee or somebody else to look at the issues of immigration and our participation in international development more generally and refugee schemes and our attitudes towards immigration and the like.

So, what I am basically saying is that (**A Member:** Do nothing.) my mind is not made up, my mind is not closed. There are some very important issues about this. Obviously every policy needs to be reviewed from time to time. It has been reviewed, participation in the Syrian refugees scheme. The Hon. Member for Ramsey, yet again in this sitting, makes some good points about some changing information.

I will not be supporting the establishment of a select committee and I have put on the table now that any Policy Review Committee can look at anything and it seems to me that the Policy Review Committee has got to make up its own mind how far this is up the priority list of issues for investigation.

The President: Hon. Member, Mr Cannan.

The Minister for the Treasury (Mr Cannan): Thank you very much, Mr President.

I want to fully endorse the remarks and statement this morning from the Chief Minister. I think that he laid it out very clearly the fact that we have given a lot of consideration to this matter; but also fundamentally that the Council of Ministers believe that the way we get the most effective aid and support is by giving the money that we are giving to get access, and help and support, and feed and clothe and water thousands and thousands of people rather than just investing in a small number.

I also want to endorse the remarks that have been made about those who have brought the motion, it is good that youth today feel strongly about issues that they wish to engage in the political arena. And I congratulate them for that.

I also want to endorse the remarks that the Minister for Policy and Reform has made about the Island being a welcoming society, and that this is not about people's skin colour or where they live. This is about the fundamentals of doing what we believe is right, I think, in order to get the most effective support to people and to balance out the interests of what we are doing here on the Island for our own people as well.

I think I also just wanted to perhaps dissociate myself somewhat from the remarks from the Hon. Member of Council, Mrs Sharpe. I do not think it is helpful to start mixing in the events of the Holocaust (**Two Members:** Hear, hear.) with what we are talking about today. And I would strongly urge Hon. Members to park those comments when considering this issue. Every conflict potentially has a different make-up but the issues surrounding that particular genocide were strong and deep and had particular ramifications. So I would put those aside.

I do want to pick up on the broader issue because this really does come down to big political international issues as much as it comes down to local issues when you consider this. I heard the heartfelt plea from Mrs Barber this morning in seconding the motion but I send out another heartfelt plea to back up some of the words that have already been said.

In fact the world's worst humanitarian crisis that has not even been reported, that is not even mentioned in this motion today is actually taking place in the Yemen right now, where millions – 24 million people – are effectively suffering, 80% of whom are facing severe food shortages. I just want to give you some facts and figures and I think they are relevant to this debate, Mr President: three million children there under the age of five are suffering from malnutrition; 400,000 of whom are risk of death every 10 minutes.

What is happening out there at the moment, unreported mostly by our newspapers is absolutely horrific. And when we talk about looking after refugees it is Syria today, it is Yemen tomorrow, it is other countries the next day, it is the Lebanon the next day. These are conflicts that are causing immense distress. And when they happen, the problem that you get is if the world ignores it then we are left to pick up the pieces afterwards.

I go back to my statements that I made last time that if people really want to stop this kind of crisis then foreign countries and responsible countries in the United Nations cannot just stand by, you have got to get in there and stop the fighting and that is the first step. Then we have got to get money to aid and shelter; and then we have got to get money in to help people rebuild their countries – because we cannot possibly take thousands and thousands, and millions and millions of people, it is absolute nonsense. And when the Chief Minister talks about getting money to help people, taking 25 from thousands, and hundreds of thousands, and millions of people, it does not solve any problems, really, in terms of putting things right in the world.

So I support what the Government is absolutely doing. And I think actually, Hon. Members, most of you know in your heart of hearts what you want to do here. You do not need a committee to come back and tell you what Dr Allinson eloquently espoused this morning, even though his sentiment in supporting the motion was wrong. He pretty much told you what you need: you are going to need translators; you are going to need special teachers; you are going to need mental health experts; you are going to need more people in the hospitals to look after their particular needs; you are going to make sure they have got their religious needs looked after; you are going to need housing, you will need access to benefits, etc.

So you know what is needed. The committee is just going to go and tell you all this, and tell you it is going to cost millions of pounds to facilitate it and to look after them and to talk about how they are going to have to be integrated in various sections of the community.

And it is not right, I do not think, for the Hon. Member for Ramsey, Mr Hooper, to talk about the United Kingdom. The United Kingdom's communities are far more diverse, when you look at the communities in their cities and the millions of people that live in London, for example. Putting an Arab family into an Arab community and integrating them without any huge trouble or speculation or intrusion on their privacy, is probably a simpler exercise for the United Kingdom. So you have to consider that it is not just a black-and-white case of like for like.

Hon. Members, I am clear that Hon. Members know in their heart of hearts what they want to do here because it is pretty obvious what you are going to need to do if you want to facilitate this. For me, rather than pontificate about the rights and wrongs of bringing refugees here, I would rather the international community took responsibility; and where that is failing then we need to get the money to the aid agencies which is what we are doing so that they can absolutely directly help and assist thousands of people on the ground rather than us pontificate about the 25 or so that may or may not come to the Island.

The President: Hon. Member of Council, Mrs Maska.

Mrs Maska: Thank you, Mr President.

1130 I would like to acknowledge the excellent work and well-considered work of the Overseas Aid Committee and the reach that it actually has at the moment. However, I do think that the correct approach is to consider the dire situation that exists at the moment regarding Syrian refugees, and specifically what we as a caring Island can do to make a difference even if it is just for a few of these poor people.

1135 As a parent, as many of us are, I cannot imagine anything worse than not being able to provide for my children, where the house is no longer in existence, reduced to rubble; not being able to feed them. And I actually have had sleepless nights worrying about these kinds of issues, when you become a parent. I can, as some of us also might be able to, remember when the days of the Cold War existed, I remember in school one of our teachers saying, 'The Isle of Man is
1140 strategically placed for an atom bomb to be dropped, because it would wipe out a lot of the Western world.

I say that in a serious way because I then move on to: what if it were us? What you have to think is, 'Would anybody listen? Who is going to listen if the boot were on the other foot?'

And all we are being asked to do today is to consider setting up a committee. I know, I
1145 listened to the Chief Minister and his colleagues saying this has been considered in depth and I am sure it has. But why can we not do that in a more public way? I do not know what the public feel about what CoMin has considered. Why not discuss it in public? Engage with the third sector; engage with our young people who have actually brought this matter of conscience to us today. They have consideration for their fellow human beings in a way that is actually gratifying
1150 and astonishing, and I do congratulate them and thank them for doing this.

I am still considering the proposed amendment brought by Ms Edge and I will consider that going forward.

The Lord Bishop is not with us today but I looked at his contribution to the last debate. He actually said something along the lines of, what would be the harm even if the committee were
1155 to come back and nothing were to change? But let's examine this. If you ask a busy person, if you want to get something done, they get on and do it. The Island is a small nation but when we considered climate change, the effect of what we might do as a small nation is a drop in the ocean. But it can start to make a difference.

I think we need to have this matter considered and assessed in an engaging setting just as we are doing with other serious matters. I will be supporting the motion and possibly the amendment.
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Thank you, Mr President.

The President: Hon. Member for Arbory, Castletown and Malew, Mr Moorhouse.

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Mr Moorhouse: Thank you, Mr President.

In 2016, when I stood for election, I think I would have supported this call and I commend the students for raising the issue. Over the last three years, however, I would appear to be placed in a situation where I have tried to help constituents deal with huge, life-blighting, important
1170 issues. The help arrives but it is often slow, and a frustrating process. I would like to briefly focus on eight issues from the last 10 days about things that are affecting people in the south of our Island.

A family who live a hundred yards away from my front door are being forced to live in a damp, unsuitable home, paying a huge rent. They have two children with medical issues, and it is unlikely that they will be helped before the winter ends.
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An individual with very specific medical conditions is unable to get the medication he requires because of the cost. His illness is terminal but every hour and day is important to him.

Two other constituents have contacted me about having to wait for long periods of time for operations, despite being in real pain.

1180 Last week, a young man spoke to me with real emotion about how he has struggled financially to complete his degree. He achieved a first, but the stress and worry remains with him.

I have also been contacted by another concerned mother whose young daughter has a mental illness; an elderly gentleman with foot issues; and a mother whose son has a serious heart condition and she is worried about having to return to work and leave this vulnerable young man alone.

From a moral perspective I would love to provide more help. But I am struggling to see how we can really contribute more. But I will continue to listen and we have to continue to help the thousands we have helped in the past and continue helping thousands more people.

1190 Thank you, Mr President.

The President: Hon. Member of Council, Mrs Poole-Wilson.

Mrs Poole-Wilson: Thank you, Mr President.

1195 I was not intending to speak today, having spoken the last time this matter was debated, but I am brought to my feet by a couple of the contributions so far.

I feel that this motion, first and foremost, if we can take it back – it is a *feasibility* request. That is what it is. It is looking at all of the relevant information. Feasibility.

1200 I am very interested by the contribution of the Hon. Member for Ramsey, Mr Hooper, when he talks about the timing being very apt, given that the UK is looking at its resettlement schemes. Perhaps is there an opportunity here, not only to see whether they are going to broaden out their resettlement schemes to other refugees, but perhaps there is an opportunity to address some of the barriers that the Chief Minister has referenced about the constraints of those schemes and how difficult it might be at the moment for the Isle of Man to do its part.

1205 Perhaps this is the *ideal* opportunity to feed into the UK about how those schemes could be reworked in a way that enables the Isle of Man with our constraints to be an active participant if we so wish. So I do think this is a good time to look at this now.

1210 I think the other thing that has been mentioned is that we are a welcoming Island and I would agree with that. And I think our welcoming position is such that we increasingly see a more diverse society. We *have* teachers in our schools to support young people for whom English is a second language; we already do this. So I think we need to be a little bit cautious about suggesting all of this involves something new and beyond our reach when actually we do do some of this and as we are welcoming and we want to bring in immigration we may well need to do more of it anyway. This was the point I made in the last debate, that actually I think there would be a huge benefit in this feasibility to understand how well equipped we are as an Island anyway to welcome a diverse group of people from different countries.

1215 Hon. Member, many of you had the pleasure of listening to Mr Zak Hoosen a few weeks ago, the secretary of the Isle of Man Islamic Association and I think from memory he said we have 200 Muslims at the moment with the numbers fluctuating, and talking about how their efforts to provide services around their religious needs. This is not necessarily beyond us, Hon. Members, to address some of the challenges that would come with welcoming diverse groups of people to our shores.

1220 So I do agree that a huge amount has been done. I hear exactly what the Chief Minister says about the funds that have been already spent and the benefits provided. But I do not see this as mutually exclusive. I do not think this should come down as the Treasury Minister was suggesting to an either/or. Is it numbers; or is it individuals? I think there is absolutely merit and benefit in looking at both of these issues and I think that each individual life that you can help, each child ... And I was with Mrs Barber in Iceland and I heard directly from Bana as well. For each person we help, it makes a difference. I for one want to see this committee put in place. I want to understand what it is possible for us to do so that we, as our proud Island nation, can

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play our part. We cannot solve international conflicts. The Treasury Minister is right. We *might* be able to make a difference to some lives and we should consider the feasibility of that.

Hon. Members, I will be supporting Mrs Caine's motion and I would encourage you all to do the same.

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Three Members: Hear, hear.

The President: Chief Minister to speak to the amendment.

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The Chief Minister: Thank you, Mr President.

I am speaking to the amendment from Ms Edge, the Member for Onchan, and I thank her very much for moving this motion.

I will not be supporting it, Mr President, for the simple reason that it still goes to the same point that we will review.

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I think one person really, really disappointed me about some people who I respect in here's speeches today: how many Hon. Members in this Court have gone to speak to our External Relations team for the evidence? How many Members of his Hon. Court have read the information that was published last year when we had this last debate? Because they are asking for questions that the evidence is there, and if they really cared about these poor people would you not have gone and done a full research before you came here and said we want to see the evidence? The evidence is published. We are not hiding it from you; it is there. So if you were so concerned ... and this is a horrible topic.

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We are desperately trying to do our best for the people of Syria here. The Council of Ministers, everyone, is trying to do their best. I am more than happy to respect anyone's views who has gone and met the External Relations team, listened, read the evidence sheet – and if they have got a different view to the Council of Ministers then I respect their view totally. How many of you can say that you have done that?

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The Hon. Member, Mr Hooper, mentioned the four schemes and, just to inform him, they are being consolidated. They are the Gateway Protection Programme, the Mandate Scheme, the Syrian Vulnerable Persons' Resettlement Scheme and the Vulnerable Children's Resettlement Scheme. They are being consolidated, they are not being – (**Mr Hooper:** Expanded.) They are not being amended, they are not being reviewed, they are just being consolidated – that is the evidence I have got.

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So I would just like to finish that I cannot support the Hon. Member, no matter how well-intentioned they are; but I will respect anyone's view if they can say to me they have gone and spoken to the team, done their research, looked at all the facts which we have published and they are going to vote against, then I will respectfully accept their viewpoint.

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The President: Hon. Member of Council, Mrs Lord-Brennan.

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Mrs Lord-Brennan: Thank you, Mr President.

I have huge sympathy with the plight not just of refugees from Syria but from other places as well; and also great sympathy with the students who have brought this petition to try and bring it back to our attention again. I do not think anybody in this Court is without the kind-heartedness and humanity to recognise the struggle and the plight of these people. And that is really at the heart of it.

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So the question is really: what do we do? I have done the thing, Hon. Members, where you go up in the attic and grab down all the old baby coats and baby hats and blankets and you pile them in a bag and you go and take them and offer them to the people that you hope will get that stuff through to the people who are suffering. Because actually it is absolutely heartbreaking and I am sure that that is part of the reason why this has been brought back again today.

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In looking back at the previous debate in November of last year, and I did not speak in that, but I did support it, there were some other things happening around that time. Some things have been concluded. One of those things was the Select Committee Report on Vulnerable Young People – and that really had some heartbreaking and eye-opening things as to things that maybe were not working well here.

Another thing that has concluded since then has been the Committee Report on Poverty. So there is a lot of eye-opening stuff here that makes us think about how things work in our community, on our Island for people that are in need and are vulnerable. Those reports show up *huge* concerns and they show significant areas where we really need to get better at doing these things here. I appreciate that this is not just about what we do here for people here and what we could in comparison offer with people that we might welcome to the Island. But there are also other things which have come to my mind and I have been thinking about this and sort of wrestling with it over the past couple of weeks, which is: do we have housing right? Do we have healthcare working as we would want it to? Do we have fostering and adoption working as we would want it to?

I think, Mr President and Hon. Members, I am probably going to disappoint absolutely everybody on both sides when it comes to what I say next, which is that when we speak about these things what we also know is that it is incredibly hard to get Government to do something it does not really want to do. And it is very, very hard sometimes for Government to do the things that they and we want them to do. So I would suggest that part this feasibility is whether Government wants to do it or not. So part of me thinks that if there was a motion that said we are going to – the number 25 has been put around – welcome 25 refugees, when actually this is a bigger question, and especially if it goes to committee it is going to go on for maybe another year, and then we would probably need to think about refugee policy in the longer term because, as Mr Shimmins has said, this is not something that is going to go away. But actually if the motion said we are going to welcome 25 refugees and actually the Government supports it and we are going to approach this in a professional manner, that is a completely different thing because it is very hard for us to get the things done that we want to get done, even though there is a lot of a will and decisiveness behind it.

So just to put a bit of context around the call for a committee – excuse me; excuse me Marlene, excuse me Tim. *This* is what happens:

We have committees with so many reports!. (*Laughter*) Sometimes, as of yesterday, we have *huge* amounts of work – this is, and you will have heard this, I think, the Harbours Strategy Report, that had a lot of stuff, a lot of work into it, it really made us think. But it was not supported; what a shame! But there you go, that is one of the things that happens in committees.

And *this* is very important, this is the Poverty Committee. This is all really serious, heavy stuff as well. I think it would almost be a shame if we just said, ‘Right, it goes to a committee’ and then what? This! And Vulnerable Young People and all this stuff.

So this is why I think I have changed my view about it going to a committee. I think it is an unavoidable issue and I think that at some point what we do I think actually in a bigger, long-term thing, we do have a moral imperative, Government has a moral imperative, perhaps a situation down the line, whether things will not always be the same, there may be a Government policy that takes a different view. I think it would be well advised to think about developing that policy.

To me, it is what should we do? Is it aid and support that is making the biggest difference? I think it is good that that is happening. I actually think the comments that the Chief Minister made about local communities was a really important one because I would have thought if we were having developed ideas on this, that is where the heart of it for me would lie; that you would have mothers and children integrated into local communities in some way, and to have them supported actually comes back to some of the things that Mr Peake and Mr Henderson were talking about yesterday.

1335 But you need to have the comfort at a Government level to say, 'Yes. Do you know what? Let's do this; let's open our hearts, open our minds and do that'. That is not what we are seeing; and that for me is part of the feasibility. But I do think that long term there is a moral imperative there to develop those ideas out and show them to the community so the people here can understand that.

1340 I think also that it is really important for young people to continue to advocate to their MHKs and Tynwald Members, because the views are welcome and they are heard and I hope that some of the things that you heard, that the young people in the gallery heard in this Court yesterday – they were very patient whilst we went through the results of another Committee Report and I hope that some of that context was put around, that actually just because you have
1345 a committee does not always mean that there is action. And I think that lots of Members who have spoken here say well actually it would be really good if we did have a policy and some thought as to what would happen long term.

So that is my view and I am sorry if it disappoints everybody (**A Member:** Everybody.) on all sides. But are things working all right? I am not sure. Is the committee the best way to sort it; and we might need a policy?

1350 Thank you.

The President: I call on the mover to reply. Mrs Caine.

1355 **Mrs Caine:** Thank you, Mr President.

Can I just thank everybody who has contributed to this debate this morning and particularly my seconder for, as always, her very eloquent words and compassion.

I think what I am feeling from the room is that there is a significant support for the principle that we all have a huge compassion and sympathy with the plight of Syrian refugees. If I draw
1360 out the various individual points and themes that people have made ...

I think the amendment first of all from Ms Edge, Hon. Member for Onchan, I would perhaps have thought that that would be an alternative that was more palatable for some in that the Social Affairs Policy Review Committee can certainly look at it in the context of the available services that we do have on the Island and how Syrian refugees or a refugee population would
1365 impact on that, and what needed to be in place for them. I mean, there is almost a suggestion that where that is lacking it could almost flag up areas that need improvement urgently from the Isle of Man, because if we have not got certain facilities – for instance, post-traumatic stress disorder or other trauma – then is that something that we do need as a community to have access to?

1370 I am happy to support the amendment. I thought, wouldn't it be refreshing that thanks to the students continuing to bring the matter forward that we think they are not taking no for an answer. They have done a huge amount of research both internationally and on the Isle of Man; and I have to say maybe it is the website or maybe it is my use of it but I did not find it easy to get the information. I could find information that we have donated funding to Yemen, another
1375 very good cause, but I could not find the information about the Syrian refugees.

I think that what would have been refreshing in terms of this amendment would be Council of Ministers to say, 'Yes, we know this is the position; we've done all the research; we've nothing to hide. So here's all our research and go ahead with your committee, and support it perhaps going to the Standing Committee rather than a specific newly formed select committee to say
1380 we're confident in our position, but if you want to go and look at it, you look at it and you'll come back with recommendations that will support the ongoing policy and reinforce that the policy the Isle of Man Government has is the right one'.

Actually that would be fine, because then it would be out in the open as a separate scrutiny body had given it due consideration and they had come to the same conclusion. The issue that
1385 we have – and the reason I think it keeps returning every year or so – is that there are an awful lot of people who see what is going on in other countries and the results of civil war in Syria and

the huge amount of refugees that are coming out, and they are not satisfied with the Government's response.

1390 So actually, I am surprised the Chief Minister thought it was 'dreadful' to say the Isle of Man should step up, and instead of providing very necessary and welcome support in terms of financial aid to the agencies and NGOs and everything that are doing the work on the ground in these huge Syrian refugee camps, it is not dreadful to say that instead of providing household items to them that we provide housing. I do not think that is a *dreadful* thing to suggest, I think that is just the other option that we might have if we consider that the Isle of Man could do
1395 more.

And not taking away in any way from the fact of the thousands who have been provided with housing, or stoves, or blankets, or winter tents, or accommodation if you can assist a very small number – and I think Mrs Sharpe was not drawing a comparison with the Holocaust specifically, but actually even a small number of refugees who are given the chance of safety and housing
1400 and education for their children, as many people have said, the point is that we could do more for a very small number, and how that is funded and where that funding comes from and what support there is that we do not know.

And I would suggest that the Council of Ministers do not know what other support is out there in the community because they have not gone out to ask that question. They have looked
1405 at it as a Government of what the Government can do to assist. So to my mind, allowing it to go to a select committee, or the standing committee, would mean that the whole situation in the round of what the Isle of Man could provide could be looked at.

Just to look at a few of the comments that came out: I thank Dr Allinson, the Member for Ramsey and I agree that there are so many different aspects we need to look at, not least
1410 housing, medical treatment and the benefits system. But we are the Government and we are able to change the law. So who is to know what is necessary to accommodate refugees, if that was determined as the position for the future? These are details that could be worked out. Or if it not feasible for the Isle of Man to do it, that can be ruled out and then the Government's policy can be the one going forward.

1415 I will not go into everybody's comments, if you will forgive me, because I am sure people would want to get their lunch at some point today. But I would just say I thank the Hon. Member for Ramsey, Mr Hooper, because he makes a very good point that in 2020, and I think this was also brought out by the Hon. Member of Council, Mrs Poole-Wilson, if the UK government is in the process of consolidating its refugee schemes – and there is a very helpful document on the
1420 UN website where the UK government has evaluated the current scheme, how it has worked, what have been the issues working with the 300 local authorities that they have been working with across the UK and put it into a new scheme. Surely that is a great opportunity for the Isle of Man to say, 'We are looking at perhaps a long-term policy on supporting overseas aid and the refugees situation: is there a way that you could make this available or eligible or in partnership
1425 with the Crown Dependencies?'

Who would know if that was a possibility when nobody has asked the question? And especially I go back to a written question that went through the House of Lords last autumn when the UK government said they would welcome all offers of capacity and support; and that did not sound like they were rejecting the possibility of working in partnership with the Crown
1430 Dependencies or other agencies. I think the Isle of Man would have a great deal to offer in terms of its compassion and welcoming nature.

I think it was the Hon. Member for Middle, Mr Shimmins, who I thank for his comments. Yes, the committee would debunk myths. That is all we are talking about. It would debunk myths or it would prove the Comin policy. It is not about to come out with a load of radical
1435 recommendations because that would have to come back to this Hon. Court for debate in the future. It is just a call from the young people of the Isle of Man following huge amounts of support over many years consistently and, as the Chief Minister said in the previous administration and this administration, it keeps coming back. People are not entirely satisfied

that the Isle of Man Government is carrying out our international obligations in the best way they could possibly be done. And this petition from the young people just says, 'Please could you have a feasibility study to look at it?'

I think if I just go to Mr Thomas for Douglas Central, who I do thank for his comments over the youthquakes and the fact that the young people have brought it back to us again, it is very true but I do not think we are being lured into a cul-de-sac. I think this is our way out and our way to see the horizon clearly, to get all the information that we can from everybody who has an input into this.

I think as the Hon. Member of Council, Mrs Poole-Wilson said we heard from the Islamic Association on the Isle of Man. We have heard that there are 200 Muslims; we know that there are situations in the schools. I think it was at the latest census, there is something like 43 different first languages now on the map. We are increasingly multicultural and we want people to move; here we have jobs; we are sustainably increasing the population and the economy of the Island in that way. And there is a suggestion 'Oh, you can't vet who you get' – as though that was going to be a problem. Well, no, you cannot, but in conversation that I have had with the British Red Cross Officer on the Isle of Man – and the British Red Cross, you might know, operates the 'landing area' for Syrian refugees in Northern Ireland. He told me that they regularly have 60 or 70 come for the next few weeks input and they found that they need ... And as I think it was Dr Allinson who said, one of the biggest stumbling blocks could be translators. We might not have the necessary level of translators and we may not be able to get the necessary level of translators just to be able to support that first landing.

But is there a possibility of collaborating with Northern Ireland? And he was telling me no, but while you cannot vet people you can say whether you have the facilities to be able to receive a particular group of particular needs in the next batch of refugees. So, for instance, one couple that stuck in my mind that he told me about was a lawyer. It was a human rights lawyer and he had been shot in the head and therefore he and none of his family were safe to ever think about returning to Syria under the current regime. And by some miracle, although half his head was missing because of the gunshot wound, that could be rebuilt with medical facilities in Northern Ireland. His brother was a college lecturer and he spoke perfect English. Their father, who was also with them, did not; and they had wives and children who quickly were able to integrate into the local community

When we think of the Isle of Man, we are increasingly multicultural and I think there are even Sudanese and Western Saharan people who have successfully integrated into the Isle of Man. So why would we think that there would not be the possibility of whatever refugees, if it came to it that we were able to look at doing that in the future ... Why wouldn't we be able to do it?

I would just like to turn to Mr Moorhouse, the Member for Arbory, Castletown and Malew and I completely understand the situation. We have all got constituents who have had issues, who have anxiety, troubles with debt, obtaining education and housing or other needs in a particular situation. But that does not need to impact on the question of whether the Isle of Man as a whole would be able to accommodate Syrian refugees. And I completely understand that there must not be a resentment that refugees in some way obtain over and above what is available for local people. Of course there would be international standards for that, but in fact if there are gaps or if there is a lack of provision – and I think in the report I was reading it was principally private housing that was provided for Syrian refugees rather than taking out of the social housing stock. If there is a lack of provision or access to necessary services, if a committee was set up particularly I think under Social Affairs Policy Review Committee they can look at that in the round and if there is not a provision and we are lacking in some way then that is an issue for the Isle of Man to start with, let alone considering international obligations.

I think, just a couple more points from the point of how would we afford this? We are already sending so much money to the various different aid agencies that are on the ground and working with thousands and thousands of people?

1490 I think I have just missed somebody – Mr Cannan. He was particularly wondering about the future in terms of Yemen and all the other big political issues. I think actually there are many unreported by the newspapers. The Syrian crisis is completely off the headlines, as far as I can see it has been Brexit and now an election for so many weeks. I cannot remember the last time I saw an actual report up to date on Syrian refugees and in fact I had to do a lot of internet research to try and find out the latest position. You were saying that we cannot take millions and that we do not want to just stand by and we have to help rebuild or we have to send the aid to them.

1495 And I would say, no, I would agree. We cannot take millions but if we were able, as a result of any committee investigation, to take the proportionate number of 25 which is proportionate to the UK acknowledging its obligation in an attempt to resettle 20,000 refugees, if it was practical and also in the best interest of any refugees to come to the Isle of Man in that way then, as other Members have said, we can make a huge difference in the life of those 25. And for those people who are in the camps and who do get to be resettled, the biggest issue has been two or three years with children not able to access any education and serious issues with obtaining healthcare. So actually a Syrian refugee who is vulnerable may be someone with diabetes or a chronic health condition that there simply is not the ability for them to obtain the necessary medication.

1500 So I would say, yes, we know we cannot save all the millions of people in the world but perhaps a committee could look not only with the UK schemes and how their collaboration with the new single scheme in the UK how that might have a partnership with the Isle of Man in the future, whether if there were ongoing medical issues the UK would also support if the use of UK hospitals had to be used, for instance. We don't know what we don't know; and the biggest unknown is what wealth of support, compassion and interest there is from the wider community on the Isle of Man – not just the students, but the wider community and the thousand people who previously brought a petition, to say we want to know, we do want to establish the facts.

1515 I think that is the single most critical thing: we do not have all the facts. Even the Government does not have all the facts because I would suggest they had been looking at it from their perspective. *(Interjection)* A committee would be able to obtain all the facts from the community and the latest position in terms of a new scheme linking with the UK. I would think that if the Isle of Man could do more to meet its international obligations in supporting refugees then we *should* do it; but we need to have the facts in our possession and that is a debate for another time.

1520 So I would say, Members, thank you very much to everyone who contributed to the debate. I would be happy to support the amendment but if that is not supported I would urge you to support the motion as originally put.

1525 Thank you very much.

The President: Hon. Members, the motion in the name of Mrs Caine is at Item 28 and to that there is an amendment in the name of Ms Edge. I put the amendment first. Those in favour of the amendment, say aye; against, no. The noes have it.

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

In the Keys – Ayes 8, Noes 14

FOR

Mr Baker
Mrs Barber
Mrs Caine
Mrs Corlett
Ms Edge
Mr Hooper

AGAINST

Mr Ashford
Mr Moorhouse
Dr Allinson
Mr Boot
Mr Callister
Mr Cannan

Mr Perkins
Mr Shimmins

Mr Cregeen
Mr Deputy Speaker
Mr Harmer
Mr Malarkey
Mr Peake
Mr Quayle
Mr Skelly
Mr Thomas

The Deputy Speaker: Mr President, in the Keys, 8 for and 14 against

In the Council – Ayes 3, Noes 5

FOR

Miss August-Hanson
Mr Cretney
Mrs Sharpe

AGAINST

Mr Crookall
Mr Henderson
Mrs Lord-Brennan
Mrs Maska
Mrs Poole-Wilson

The President: And in the Council, 3 for, and 5 against. The amendment therefore fails to carry.

I put the motion as tabled. Those in favour, say aye; against, no. The ayes –

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

In the Keys – Ayes 8, Noes 14

FOR

Dr Allinson
Mrs Barber
Mrs Caine
Mr Callister
Ms Edge
Mr Hooper
Mr Perkins
Mr Shimmins

AGAINST

Mr Ashford
Mr Moorhouse
Mr Baker
Mr Boot
Mr Cannan
Mrs Corlett
Mr Cregeen
Mr Deputy Speaker
Mr Harmer
Mr Malarkey
Mr Peake
Mr Quayle
Mr Skelly
Mr Thomas

1535

The Deputy Speaker: Mr President in the Keys, 8 for and 14 against

In the Council – Ayes 6, Noes 2

FOR

Miss August-Hanson
Mr Cretney
Mr Crookall
Mrs Maska
Mrs Poole-Wilson
Mrs Sharpe

AGAINST

Mr Henderson
Mrs Lord-Brennan

The President: And in the Council, 6 for, and 2 against. The Branches are in disagreement, therefore the motion fails to carry.

Hon. Members, that concludes the Order Paper.

Supplementary Order Paper No. 1

1. Standing Orders suspended to allow further business

The Chairman of the Post Office (Ms Edge) to move:

That Standing Orders be suspended to the extent necessary to allow the business on the Supplementary Order Paper No. 1 to be taken.

The President: We do though have two supplementary Order Papers.

1540 Supplementary Order Paper No. 1 is concerned with the Post Office matters. Item 1 is to suspend Standing Orders to allow that business to be taken and I call on the Chairman of the Post Office, Ms Edge, to move.

The Chairman of the Post Office (Ms Edge): Thank you, Mr President.

1545 I beg to move that the Standing Orders be suspended to the extent necessary to allow the business on a Supplementary Order Paper No. 1 to be taken.

Thank you.

The President: Miss August-Hanson.

1550

Miss August-Hanson: I beg to second, Mr President.

The President: I put the motion before the Court. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

2. Papers laid before the Court

1555

The President: Item 2, to lay before the Court the Report.

The Clerk: Ta mee cur roish y Whaiyl ny pabyryn enmyssit ayns aynr jees jeh'n Claare Obbyr Arbyllagh nane.

1560 I lay before the Court the Papers listed at Item 2 of Supplementary Order Paper No. 1.

Superannuation Act 1984

Isle of Man Post Office Superannuation (Amendment) (No. 2) Scheme 2019
[\[SD No 2019/0488\]](#) [\[MEMO\]](#)

Report

Report of the Isle of Man Post Office Board Strategic Recommendations relating to Pensions V2
[\[GD No 2019/0094\]](#)

Procedural

The President: Item 3 is for the Chairman to move.

Now, I would ask the Chairman, in view of the time, whether she would prefer to move this at 2.30 p.m. this afternoon, or how much time she requires.

1565 **The Chairman of the Post Office, (Ms Edge):** No, that would be more preferable, Mr President.

The President: Preferable. In that case the Court will adjourn.

1570 Before we adjourn, I have just been asked by the Clerk to remind Members about the 1.30 p.m. briefing in the Members' Room, which concerns legislation. You were notified about this.

The Court will now stand adjourned until 2.30 p.m.

*The Court adjourned at 12.57 p.m.
and resumed its sitting at 2.30 p.m.*

**3. Isle of Man Post Office –
Strategic Recommendations relating to pensions V2 –
Report received and recommendations approved**

The Chairman of the Post Office (Ms Edge) to move:

That the Report of the Isle of Man Post Office Strategic Recommendations relating to pensions V2 [\[GD No 2019/0094\]](#) be received and the following recommendations be approved:

(1) The intention of the Isle of Man Post Office to submit for approval the Isle of Man Post Office Superannuation (Amendment) (No. 2) Scheme 2019 [\[SD No 2019/0488\]](#) which includes, in addition to changes of an administrative nature, material amendments:

- To close access to current benefits for new entrants on 31st December 2019;*
- Impacting current members in order to meet funding requirements;*
- To establish a class of benefits to facilitate the DB Lump Sum Scheme for new staff joining Isle of Man Post Office on or after 1st January 2020.*

(2) The proposal detailed within the strategic recommendations report for the Board of Isle of Man Post Office to establish a competitive, benchmarked and socially responsible contract based defined contribution pension scheme for new staff joining Isle of Man Post Office on or after 1st January 2020.

The President: Please be seated, Hon. Members. Please feel free to remove jackets if you wish.

1575 We commence our debate on Item 3, Isle of Man Post Office. Mr Cregeen is sitting out of the Chamber for this debate, as his particular wish.

I call on the Hon. Member for Onchan, Ms Edge.

The Chairman of the Post Office (Ms Edge): Thank you, Mr President.

1580 I would like to move the motion as tabled on the Order Paper.

Mr President, Chief Minister and fellow Tynwald Members, in December 2018 this Hon. Court approved in principle our intention to bring forward proposals, including the required legislative

changes necessary to close the Isle of Man Post Office Superannuation Scheme to new entrants, and concerning a replacement contract-based defined contribution scheme for new employees.

1585 Over the last year we have liaised closely with staff, unions, actuaries and legal advisers, to bring forward the proposals in our 'Strategic Recommendations relating to Pensions' report. It remains our recommendation that access to the benefits of the current scheme be closed to new entrants, but rather than introduce a pure defined contribution scheme as a replacement for new employees, we now recommend approval of a risk-sharing arrangement comprising a
1590 defined contribution scheme, with an additional defined benefit cash lump sum on retirement.

Approval of the recommendations in our Report, facilitated in part by the Isle of Man Post Office Superannuation (Amendment) (No. 2) Scheme 2019, tabled for approval later on today's Supplementary Order Paper, will protect the longevity of the Scheme for current members by making essential changes to funding and benefits, closing access to these benefits for new
1595 entrants, and introducing a new tier of benefit to facilitate the lump sum element of the arrangement for new entrants.

Members will note that the Amendment Scheme is made under section 7(1) of the Superannuation Act 1984, which was repealed in its entirety by the Public Sector Pensions Act 2011. However, Schedule 1 to the 2011 Act contains a transitional provision relating to the
1600 Post Office, which allows amendments to the Scheme as though the 1984 Act were still in force.

Given our reserves, you may argue that there is no urgency to progress these reforms. However, in view of the inherent risk and unpredictability of defined benefit arrangements and the increasing cash flow requirement of our scheme, coupled with the rapidly changing postal environment, and the social and economic trends impacting our business, this view would be
1605 strongly countered by the board. We feel it is financially responsible to take these long-term strategic actions now, which are forecast to save in excess of £1 million per annum by 2032, rather than delay the savings and wait until we are at a financial precipice.

As you will be aware, the Post Office must operate within a budget that targets profitability, so pension costs can not only be managed within this parameter, but also need to reflect the commercial objectives of the organisation, and its ability to compete effectively with operators in the private sector and gig economy. Such operators may not offer pension arrangements, or if they do, they will generally be on more cost advantageous terms to the employer.
1610

That said, the Post Office does not wish to be part of a 'race to the bottom' and we are seeking to protect as far as possible the interests of our valued workforce. Approval of the recommendations in this report and of the Amendment Scheme will allow us to realise the material cost savings necessary to protect the longevity of the defined benefit scheme for existing members.
1615

We do recognise that our staff are critical to our ability to meet the challenges of an evolving postal environment. Notwithstanding the obligation to be financially responsible, we wish to remain an attractive and responsible employer, providing competitive, socially responsible, but affordable retirement benefits to all staff, and we believe our recommended arrangements for new entrants will achieve this. In setting the terms of our proposed scheme we took advice from local financial advisors and defined contribution scheme providers, which confirmed that our scheme would be at least comparable to respected private sector employers, and enhanced
1625 furthermore by the addition of the defined benefit lump sum element. Modelling planned outcomes against the UK Money Advice Service and UK Pension Quality Mark standards gave us the necessary assurance that the scheme would achieve our criteria for social responsibility.

Fundamentally, the board believe that in bringing forward these recommendations, which have staff, union and key stakeholder support, we are taking timely action to protect existing staff; we are reducing business risk by closing access to current benefits; and we are putting in place a new scheme designed to be both socially responsible and affordable.
1630

I urge Members to support the recommendations in front of them today.

With that, Mr President, I beg to move.

1635 **The President:** Miss August-Hanson.

Miss August-Hanson: I would like to second and reserve my remarks, Mr President.

The President: Hon. Member, Mr Thomas.

1640

The Minister for Policy and Reform (Mr Thomas): Thank you, Mr President.

Just a very brief remark: I commend the Report and at point 8.3 in the Report there is talk about the Minister for Policy and Reform investigating the feasibility of a collective defined contribution scheme. I would just like to report that that investigation is underway, and it looks very interesting.

1645

The President: Hon. Member for Ramsey, Mr Hooper.

Mr Hooper: Thank you very much, Mr President.

1650

It is safe to say I am still not convinced about the urgency or even the necessity, I think, of some of these changes. The Report states quite clearly that these changes will result in £1 million per annum savings made by the Post Office by 2032. But the Post Office has a five-year strategy which, according to this Report again, forecasts financial losses and exceptional restructuring payments. That is because the next five years are the key five years for the Post Office. They are going to be critical. So the material savings made from these changes actually are going to kick in quite some time after the key period for the Post Office.

1655

So I am not convinced that the arguments for making these changes actually are quite as clear cut as is being made out.

Having said that, this Scheme has been previously supported by Tynwald. It has been supported by the unions and by the Post Office board, so I will be supporting this today.

1660

I do have a question, though, for the Chairman and I am not expecting a comprehensive answer today because I think it is quite a complex issue. In June of this year, there was a UK Supreme Court case in respect of the Equality Act and treatment of people of different ages within pension schemes. It was ruled that the UK public sector pension schemes – the transitional provisions included in those schemes – were contrary to the Equality Act. So the UK is now having to look at making significant changes across the piece in its public sector schemes in respect of transitional provisions.

1665

This pension proposal does include transitional provisions, protecting pension members who over the age of 45, I think is the limit, and they are protected in different ways depending on their age. So I would just urge the Post Office to go away and actually take some advice on whether or not that very recent decision made in the UK has any impact at all on these proposals.

1670

We have just passed some Equality Act amendments today in respect of age discrimination but they are the same ones that the UK already had in place at the time of this judgment. So it seems that if this judgment is relevant to the UK, it may also be relevant to schemes like this on the Isle of Man.

1675

So I am not expecting an answer today because I think it needs to be looked at properly. I do not want a knee-jerk legal response, but please go away and have a think about that.

Thank you.

1680

The President: I call on the mover to reply, Ms Edge.

The Chairman: Thank you, Mr President.

Obviously, two quick comments really. I thank the Minister for Policy and Reform for confirming that he is looking into any changes for a CDC scheme.

1685

Also, obviously, just to allay any concerns that Mr Hooper has: we are seeking legal advice with regard to that. The transitional protection came into place when the last revision was done of the pension schemes, but we will look at that and reassure all Members that we take into account what the Hon. Member has said.

1690 With that, I beg to move, Mr President.

The President: Hon. Members, the motion is set out at Item 3, that the Report of the Isle of Man Post Office Strategic Recommendations be received and the recommendations approved. Those in favour, say aye; against, no. The ayes have it.

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

In the Keys – Ayes 20, Noes 0

FOR	AGAINST
Mr Ashford	None
Mr Moorhouse	
Dr Allinson	
Mrs Barber	
Mr Boot	
Mrs Caine	
Mr Callister	
Mr Cannan	
Mrs Corlett	
Mr Deputy Speaker	
Ms Edge	
Mr Harmer	
Mr Hooper	
Mr Malarkey	
Mr Peake	
Mr Perkins	
Mr Quayle	
Mr Shimmins	
Mr Skelly	
Mr Thomas	

1695 **The Deputy Speaker:** Mr President, in the Keys, 20 for and none against.

In the Council – Ayes 8, Noes 0

FOR	AGAINST
Miss August-Hanson	None
Mr Cretney	
Mr Crookall	
Mr Henderson	
Mrs Lord-Brennan	
Mrs Maska	
Mrs Poole-Wilson	
Mrs Sharpe	

The President: And in the Council, 8 for and none against. The motion carries unanimously.

**4. Superannuation Act 1984 –
Isle of Man Post Office Superannuation (Amendment) (No. 2) Scheme 2019 approved**

The Chairman of the Post Office (Ms Edge) to move:

That the Isle of Man Post Office Superannuation (Amendment) (No. 2) Scheme 2019 [SD No 2019/0488] [MEMO] be approved.

The President: Item 4, I call Ms Edge to move.

The Chairman of the Post Office (Ms Edge): Thank you, Mr President.

1700 I would like to move that the Isle of Man Post Office Superannuation (Amendment) (No. 2) Scheme 2019 be approved.

Just following on from the previous debate on the Isle of Man Post Office Strategic Recommendations relating to Pensions Report: this Hon. Court approved the intention of Isle of Man Post Office to submit for approval the Isle of Man Post Office Superannuation (Amendment) (No. 2) Scheme 2019.

1705 Accordingly I now move that the Isle of Man Post Office Superannuation (Amendment) (No. 2) Scheme 2019 be approved.

Thank you, Mr President.

1710 **The President:** Miss August-Hanson.

Miss August-Hanson: Thank you, Mr President.

I would like to second and reserve my remarks.

1715 **The President:** I put the motion standing at Item 4. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

Supplementary Order Paper No. 2

1. Standing Orders suspended to allow further business

The Minister for Enterprise (Mr Skelly) to move:

That Standing Orders be suspended to the extent necessary to allow the business on the Supplementary Order Paper No. 2 to be taken.

The President: We turn now to Supplementary Order Paper No. 2. Item 1 is the suspension of Standing Orders. I call on the Minister for Enterprise to move.

1720 **The Minister for Enterprise (Mr Skelly):** Gura mie eu, Eaghtyrane.

I beg leave of this Hon. Court to suspend Standing Orders to the extent necessary to allow the business on Supplementary Order Paper No. 2 to be taken at this sitting of the Hon. Court.

1725 **The President:** Mr Cannan.

The Minister for the Treasury (Mr Cannan): I beg to second and reserve my remarks.

The President: Mr Hooper:

1730 **Mr Hooper:** Thank you very much.

Just very briefly, there are three Items here and it is the two Items that actually are not up for debate today that I have a query about.

1735 These two Items are being laid by DEFA in respect of EU requirements to do with third country listing. This happened quite recently when Mr Baker, the Hon. Member for Ayre and Michael, moved a series of motions that we were all asked to vote against and that was in order to make sure that we put beyond all doubt the fact that this stuff was in Isle of Man law. Now this seems to be exactly the same situation again. There will be a SCoPAFF meeting in early January which seems to be taking place before the next sitting of Tynwald.

1740 I am happy to support the suspension of Standing Orders to get these through today, but the question I have for the Environment Minister is surely we should be doing the same negative process with these to make sure there is absolutely no query or quibble that the SCoPAFF committee can have that these regulations are in Manx law and cannot be repealed by Tynwald at some later date in January.

1745 **The President:** Insofar as this relates to the case for the suspension of Standing Orders for the laying of those documents, and I think that is the point you are making, there will not be an opportunity of course to debate those documents. But during the course of the debate on suspension the DEFA Minister may or may not wish to take part in it. Mr Boot.

1750 **The Minister for Environment, Food and Agriculture (Mr Boot):** Yes, thank you.

First of all, I apologise for the late laying of these documents. They were laid on Wednesday and did not appear on BoardPad until Friday. We received some criticism over that; I think there was some internal delay.

1755 With regard to the documents themselves, I am not sure of the actual date of the SCoPAFF meeting. It may well be after the next sitting of Tynwald, which is what I understand, so we will have the intervening period to allow that buffer. But I think that is where we are at, at the moment, Mr President.

The President: Mr Skelly, do you wish to respond?

1760 **The Minister for Enterprise:** No.

The President: In that case I put the motion to suspend Standing Orders to allow the business on Supplementary Order Paper No. 2 to be taken. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

2. Papers laid before the Court

The President: I call on the Clerk to lay papers.

The Clerk: Ta mee cur roish y Whaiyl ny pabyryn enmyssit ayns aynr jees jeh'n Claare Obbyr Arbyllagh jees.

I lay before the Court the Papers listed at Item 2 of the Supplementary Order Paper No. 2.

Financial Provisions and Currency Act 2011

Douglas Promenade Support (No. 2) Scheme 2019 [[SD No 2019/0499](#)] [[MEMO](#)]

The remaining items are not the subject of motions on the Order Paper

Documents subject to negative resolution

European Communities (Isle of Man) Act 1973

Official Controls (Agriculture) Regulations 2019 [[SD No 2019/0496](#)] [[MEMO](#)]

Official Feed and Food (Miscellaneous Amendments) Regulations 2019 [[SD No 2019/0497](#)]
[[MEMO](#)]

Report

Equality Champion Second Annual Report to Tynwald [[GD No 2019/0096](#)]

**3. Financial Provisions and Currency Act 2011 –
Douglas Promenade Support (No. 2) Scheme 2019 approved**

The Minister for Enterprise (Mr Skelly) to move:

That the Douglas Promenade Support (No. 2) Scheme 2019 [[SD No 2019/0499](#)] [[MEMO](#)] be approved.

1765 **The President:** In that case we turn to Item 3, Financial Provisions and Currency Act. Minister for the Treasury to move. Mr Skelly to move.

The Minister for Enterprise (Mr Skelly): I think it is the Minister for Enterprise there.
Gura mie eu, Eaghtyrane.

1770 May I first of all thank Hon. Members for their good grace to allow this extra Order Paper.

 The purpose of the Douglas Promenade Support (No. 2) Scheme 2019 which is before us today is to provide further support to businesses on Douglas Promenade, that is businesses which have been financially affected by the ongoing refurbishment works there, through the provision of loans up to a maximum value of £50,000.

1775 The Department of Infrastructure's Douglas Promenade Refurbishment Scheme began in November last year. Since the beginning of this year, it has become progressively clearer that the works have made, and continue to make, trading difficult for a number of businesses situated on the Promenade. This is a unique set of circumstances given the location, size and scope of the ongoing refurbishment which means that the effect on businesses will continue
1780 over a number of years.

 Our Department has been proactively trying to support businesses on Douglas Promenade since May of this year. Officers have been liaising with businesses and the Department of Infrastructure to try and understand and solve issues that have arisen with respect to the impact that the works have had on their businesses.

1785 In August, the Department introduced grants of up to £6,000 available to Promenade businesses in all sectors. To date, seven applications have been received. In addition, we have made available to Promenade businesses marketing consultancy services and an investment into marketing spend with a package of up to £2,000. These support schemes overall have had good pick up by businesses, with over 34 businesses having applied.

1790 However, the Department's powers to support businesses are focused on the sustainable growth of the Island's economy, through job creation and positive economic impact, and our vires for supporting businesses in this situation are limited. We have therefore been working with Treasury to make further forms of support available.

1795 Eaghtyrane, following legal advice and discussions with Treasury we have agreed that the Scheme before us should be made by Treasury through its powers under the Financial Provisions and Currency Act 2011, but administered by our Department, given our Enterprise Support Team's expertise in supporting businesses. The principal purpose of the Scheme is to provide financial assistance in the form of an unsecured, interest free loan, up to £50,000, which will be repayable over a 10-year period.

1800 This is a targeted Scheme which will be available to viable, sustainable and eligible retail and hospitality businesses within a specified support area around the Promenade. To ensure that businesses meet the criteria, they must appoint a qualified accountant to support and review the business plans for the loan. One small grant towards the costs of the consultation between the business and the accountant will be provided by the Department, this is regardless of whether the application for a loan is successful or not. In terms of impact to types of businesses operating on the Promenade, the officers in my Department have advised that the sector most impacted at present has been the retail and hospitality sector.

1810 From those officer interviews held with businesses, the visitor accommodation sector are also experiencing disruption in terms of the day-to-day running of their businesses, but are not yet in a position to quantify the extent of any possible financial impact. We will therefore continue to liaise with tourism businesses and the Visit Agency to more fully understand the difficulties experienced as the refurbishment scheme continues.

1815 Eaghtyrane, I hope that Hon. Members will agree that this Scheme provides further necessary financial support to those businesses that the DfE have identified as being most affected by the ongoing Promenade refurbishment works.

I beg to move the motion standing in my name.

The President: Hon. Member, Mr Cannan.

1820 **The Minister for the Treasury (Mr Cannan):** I beg to second and reserve my remarks.

The President: Mr Deputy Speaker, Mr Robertshaw.

The Deputy Speaker: Thank you, Mr President.

1825 I will be supporting this motion today, with the gravest possible reservations. I am very unhappy about it; but at the same time, as many Hon. Members will know, having kindly attended a presentation in the Barrool Suite a short while ago, listening to the state and condition of some of the businesses and how difficult their circumstances are ... This is a gesture but it is riddled with concerns.

1830 I am sure I am not out of order in saying that the Environment and Infrastructure Policy Review Committee element that is looking at the Promenade will be continuing to examine this in the closest possible detail and how also it interacts between the Department, Treasury and the particular businesses.

1835 If I can just draw Hon. Members' attention to some of the issues: at paragraph 8, application process, subsection (i), it says:

a statement from the applicant that the business will continue trading as a going concern in accordance with generally accepted accounting principles or practice;

1840 Now, a person desperately seeking funds would be inclined to want to support that, but the requirement is that a qualified accountant is brought in and that accountant will have to take a professional view. What I would like the Minister to explain to me is if that accountant, following due diligence as a professional accountant, indicates that they cannot support – which they are required to do – that statement, where does that business sit in that scenario?

And then the applicant is also required at (ii) to produce:

a business case for the loan, which particularises the financial effect on the business as a result of ...

Well, it says 'Refurbishment Scheme', I think we are not really talking about that in terms of this:

... and which is certified by an accountant as a fair and accurate [statement].

1845 Now, elsewhere in the guidance notes it talks about the amount of money available in the red paper, the guidance notes talk about at (c) that the amount of money available for qualified accountants will be capped at £450, I mean, you must be joking! Look at the list of things that the accountant is required to support on: a review of the application form; a review of the business plan; a review of the payment schedule; confirmation of the businesses current situation with regard to income tax, National Insurance and VAT; the impact that the loan will
1850 make upon the business; the viability and sustainability of the business; the ability to service the loan; comments on the applicant's going concern statement – 450 quid – no way is that even remotely close to what is needed, we are talking about thousands here, nothing less.

And no qualified accountant is going to attach themselves to something that they have not thoroughly discussed. For example, in this instance we are going to get an intervention on
1855 application of a business partway through an accounting year, so it may well not know exactly what its accrued debtors and creditors are, all of that has got to be accumulated.

So what you are actually saying is you can apply for money but you have got to pay for the accountancy submission yourself – not good enough, by any stretch of the imagination.

And then, somehow or other before all this starts, again according to the notes, the applicant
1860 has got to have an idea as to how long they want the accountant to work for them for, well, they will not know the answer to that. Then there is this whole concept of when an applicant applies for money how long is this Promenade project going to take? And the answer is DoI cannot say. I mean, you are asking these businesses to grab hold of a crystal ball and make all sorts of assessments that it is not within their capacity to do. They do not actually know how much
1865 money they want to borrow because they do not know how long the Scheme is going to take, and they can only apply once.

I hope the Minister understands that our heart and soul are behind these businesses but these two documents before us come over to me as, 'Look, this is what we are doing, we are giving the support', and then in public you can say there is up to £50,000, but in reality the
1870 complexity of this is such it is going to be very difficult for the businesses. Now, as we know, right on the edge of things, to make those applications.

So I will support it, but with huge reservations.

Thank you, Mr President.

1875 **The President:** Hon. Member for Council, Mr Cretney.

Mr Cretney: Yes, I am sure my point will be a lot easier for the Hon. Minister to answer than that which has just been put forward by my friend.

In his presentation the Minister said that one of the conditions would be the viability of the business, I am sure I am not alone in, having been contacted by businesses who prior to the works commencing were certainly viable, but that situation is not the case now in what they
1880 have said to me, and I just wonder how that would be adjudicated. Would they be looking at past performance to make those decisions, given that, at the present time, a number of them are not in a good position?

1885 Thank you.

The President: Hon. Member, Mrs Barber.

Mrs Barber: Thank you.

1890 I am glad that the Scheme demonstrates a recognition by the Department of Infrastructure, Department for Enterprise and Treasury that the Promenade Scheme has had a severe adverse effect on many local businesses situated along the Promenade.

1895 However, I have a number of concerns relating to the practical administration of the Scheme, some of which have already been articulated by parliamentary colleagues. I would like to question the simplistic manner in which the boundaries for the Scheme have been applied and how these were decided. I realise the same boundaries were used for the Douglas Promenade Support Scheme but that was put together in a far shorter of space of time.

1900 I would be interested to understand the process for deciding where to place this boundary line and reassurance from the Minister that his research demonstrates that line to be in the correct place. As an example, the Broadway and Summerhill junctions are significant to the Scheme, yet an arbitrary line means that neighbouring businesses are treated differently for eligibility purposes: one would be eligible and one would not. There are also situations where the line passes through the middle of a property, business garden or terrace and I seek clarity as to whether these will be included or not.

1905 I wonder also if the Minister might be able to update the Hon. Court on the rates rebate process and how that is working for the businesses involved in this situation.

What support has been offered by the Department to those businesses that have already ceased trading and businesses that have seen their rents increase, making their debts even greater?

1910 I would also like to seek reassurance from the Minister about the cracking to the red concrete infill. I hope the Minister can detail to this Hon. Court in light of the report by Robery Forensic Engineering Limited, dated 23rd September 2019, what changes have been made to the process for the concrete infill; what the likelihood is of remedial works being required to resolve the cracking seen thus far; what length of the Promenade is affected; and how the Scheme before us today will work to benefit those who may be required to go through this pain again to resolve the failings of the current scheme? (**Mr Robertshaw:** Hear, hear.)

1920 The strap line of Freedom to Flourish has been spectacularly lost within the Promenade Scheme and I hope that the introduction of this support Scheme will assist our local businesses to survive through this prolonged period of misery. However, I fear that this Scheme may fail those exact people that it seeks to assist and I have already heard members of the DfE citing Treasury as the reason we do not have a better scheme and vice versa, washing their hands of it as such, and similar from DoI and Treasury. This is people's lives we are talking about and we really cannot have interdepartmental squabbling on this. (**Mr Robertshaw:** Hear, hear.)

1925 I would like to take this opportunity to reaffirm the commitment of our Promenade Committee to track the real impact, the human impact of this Scheme, and report back to the Promenade Project Board and this Hon. Court with any concerns as they may arise. I trust that these concerns will not be met with apportioning blame elsewhere but with a willingness to review the scheme and ensure it is truly fit for purpose.

Thank you, Mr President.

1930 **The President:** Hon. Member for Council, Mrs Poole-Wilson.

Mrs Poole-Wilson: Thank you, Mr President.

1935 I have a specific question, which I am aware the Minister will know that I have already raised with officers, but I think it is important to raise the question here so that it is on the public record as well.

1940 My question relates to actually those businesses that do apply and are successful in obtaining a loan, the repayment mechanism that is set out in the Scheme, and that is because at paragraph 10, when it comes to talking about the terms and conditions, the Scheme says that the terms and conditions must:

state that the loan is repayable over 10 years at a rate of 0% interest; and
(b) may include provision —
(i) allowing for the deferral of the loan

It says the deferral of the loan, I think it should say deferral of repayment of the loan. But my question is really when you pick up the guidance, which the Minister did helpfully circulate, as well as the No. 2 Scheme, there seems to be a suggestion that at the moment the assumption is all of the works will be finished within three years allowing a business a seven-year period of time to make repayment but, as has already been alluded to by the Hon. Member for Douglas East, Mrs Barber, it is not quite clear yet when all the refurbishment works will be completed. And if a business is not in a position, having taken a loan, to start repayments until such time as the works are completed will that necessarily mean that their repayment period is then significantly truncated and they are truncated perhaps to five or four years, depending on the date when the works are completed. So I would like to understand whether there is any scope and whether the terms and conditions that are put in place will allow for that recognition and will allow if need be for loans to be repaid over a longer and more sustainable period.

Thank you, Mr President.

The President: Hon. Member for Ayre and Michael.

Mr Baker: Thank you, Mr President.

I am very interested in the answer that the Minister for Enterprise is going to give about the concrete cracking on the Prom, I think that is probably outside his area of expertise to be fair, but that is a relatively minor technical issue which is not ... I understand the concern, but it is not pertinent to what we are talking about today.

Mr Robertshaw: Will the Member give way for one moment?

Could I just challenge him on his understanding of the word 'minor', has he actually read that report?

Mr Baker: As the Member for Highways I am very familiar with the Scheme and with the various different issues and I am assured by officers, who have got far more professional qualifications than I have in this space, that the concrete cracking is not a significant project issue. It is one that needs to be dealt with but it is being built up to something that it is not here. We are talking about is the Scheme going to be finished within three years, we are talking about concrete – do not shake your head, Clare, please – we are making out big issues ... civil engineering projects have issues all the time, okay, and it is about how about how they are dealt with.

There was an insinuation in the comments that there is no interdepartmental work going on: that is utter rubbish. There has been some really good work going on between the Department for Enterprise, the Department of Infrastructure and Treasury to actually come and respond to the issues that have been, quite correctly highlighted by the Hon. Members for the constituency of Douglas East, and a Scheme is being put forward today which will make a difference. Businesses fail for lack of cash flow, this is potentially £50,000 direct cash injection into businesses. This is potentially a £2 million investment by the Treasury. This is really difficult. I was involved in some of the discussions as DoI, DfE and Treasury tried to craft something that would work and that would balance the needs of the businesses and the duty to use public money in an appropriate manner.

This is not something that has just been done flippantly or as a tick-in-the-box exercise as the Hon. Member for Douglas East, the Deputy Speaker, seemed to indicate. This is a real attempt to try and actually support these businesses but balanced with the need to protect the public the purse.

1990 This is a difficult project, we know that. It is probably the most significant construction project that has been done on the Island for many years, it is being done right in the heart of our capital, it is being done under the glare of social media, of the whole of the public of the Isle of Man, everybody has got a view on it. The reality is that we are responding to the issues as they are being raised. We are responding to the need for better engagement and for better communication. Decisions have been made to actually put resources in to communicate with the businesses on the Prom. We have got an officer whose full-time job is to go and engage on a daily basis, we have got WhatsApp groups, we have got forums, we have got drop-in sessions which I think at least three have been held so far, there is another one on 18th December. We have been listening to the articulated needs of businesses, both those received directly face-to-face and through their constituency Members. The request was to go out and look at how the phasing of the work could be done to mitigate the effects on the businesses through the summer period and how the work could be phased, that has been listened to and the plans for that will be communicated out in the next week. There was a desire for a clear pledge from the team doing the Promenade to effectively create a clear relationship between the project and its stakeholders. That is being done and again, that is being rolled out next week. There is a lot work going on, Hon. Members here. This is just one part of the mix, there are other schemes that DfE have come forward with already and I do believe that the Departments are working together, I do believe that Government is listening. It is not easy.

2005 It is easy to pick holes in anything, the question is what would you do that would be better and that would be different and will be deliverable?

2010 And with that, Mr President, I will sit down.

The President: Chief Minister, Mr Quayle.

The Chief Minister: Thank you, Mr President.

2015 I was not going to get to my feet on this one because I think this is Government genuinely trying to help out here, but after the comments from the Hon. Member for Douglas East, Mr Robertshaw, which I found very disappointing really, we are doing our best here.

2020 I remember in the last administration we did some major works in Port Erin where the road was shut for six or seven months, we did not give any compensation there and we were hounded by the businesses, who I am glad to say survived.

2025 But here is the Council of Ministers doing its best and the Department for Enterprise working together to try and come up with a scheme to help out and we get thrown in our face that accountants are thousands of pounds. Well, I am going to do you a favour, Mr Robertshaw, I am going to say I will give you my accountant's name because he does not charge me that for doing a full year's set of accountancy rules. I just think this is a genuine help and to have it thrown back in your face with that sort of accusation of thousands of pounds for accountancy fees is totally unrealistic, for those of us that have accountants we do not pay that sort of money. These businesses will probably have their own accountant; they will be doing VAT returns on a regular basis. I just find it really disappointing that when you try to help, you get this sort of thing thrown in your face.

2030

The President: Hon. Member of Council, Mrs Lord-Brennan.

Mrs Lord-Brennan: Thank you, Mr President.

2035 I think that the debate and also the fact that there is a scheme that is coming forward to help the businesses show that Enterprise and Treasury have responded. But if you actually listen to how things are going, I think this sort of thing is going to happen time and time again, because each Department may well be trying its best and is trying to respond then to the other Departments, whilst perhaps also feeling slightly unnerved generally about what is going on.

2040 At one point, there was something about a central projects unit or a capital projects unit bringing all this stuff together. I think that this is all linked; it is going to continue to be linked and we may all just sit here wanting each Department to do its own bit, with one Department feeling slightly ill at ease with what else is going on.

2045 So, I do not know what has happened to that idea, because as the Hon. Member for Ayre and Michael has said, people are trying. In every aspect people try, but there is a huge amount of risk here and I think a general sense of unease. That is the point I wanted to make: where is that CPU? Has it really gone off the agenda? Are we back to trying to have one Department respond and do its best?

2050 On the actual border for the Scheme, I think it will have to be evaluated. If you compare it to some of the stuff for how the scheme is done to do with agriculture, there seems to be a little bit of difference there, a bit of flexibility. I appreciate all this has been put together quickly, under pressure and with a great need to respond to the businesses and be seen to respond. So I think it will need to be kept an eye on, to see how it might need to change or interact with other things. Maybe also just do the overall future vision of what the Prom would be and what the businesses would do and that sort of thing. I still hold onto this hope about there being some positivity but there is *serious* stuff going on here.

2060 About the accounts: what we are talking about here is about audited accounts. They are expensive. They do cost a few thousand pounds. They are different to just getting a standard set of accounts done. A few years ago, you could get a standard set of accounts done for a company that was inactive for about £450 – CSPs would do that by rote for company after company as a standard thing. So I think there is a difference here. So maybe with this Scheme we just need to think about how it might be tracked and what needs to be done. But it is a starting point so I think it is good that DfE and Treasury have responded – and of course, they have responded under some pressure as well.

2065 Thank you, Mr President.

The President: Hon. Member of Council, Mrs Maska.

Mrs Maska: Thank you, Mr President.

2070 I was heartened to hear from the Minister for Enterprise that his Department will be monitoring the accommodation section of businesses on the Promenade, because that was something I could see was missing from this Scheme. I can understand with the seasonal cycle that it is not going to be possible for us to assess if people are going to leave, having had possibly a very negative experience when they visited this year.

2075 However, I am wondering, what about the businesses that we are now perceiving are already failing? How are they supposed to get a certification from an accountant or an auditor as to their future viability? I suspect that is not going to be possible.

2080 The Chief Minister mentioned that in the Port Erin scheme, there was no compensation scheme offered for that. Well, we are not looking at compensation. This is getting people to take a loan out for a failure of business that is really through circumstances that are no fault of their own.

2085 I went to the first drop-in session once I was elected onto the Promenade committee, the Environment Committee, and I spoke to businesses there who did not come and present in the Barrool Suite. I spoke to one lady who had bought into her business five months previously and had been informed that her business premises would be inaccessible for vehicles for a matter of three weeks. At that point it was running into months already, and she really had suffered. She could not tell what her viability was.

2090 So those kind of circumstances where businesses are evidently failing, if they cannot get certification what is their safety net? What can we do about them? I do not think this Scheme offers that solution.

I can see there is a will there to help – absolutely – in Tynwald. I will be voting in favour of this Scheme; but I think unfortunately it is not going to fulfil all the needs that our citizens are actually asking us to help with. I think it does have flaws but we have to go because that is what is on offer and it is better than nothing.

2095 Thank you.

The President: I call on the Minister for Enterprise, Mr Skelly, to reply.

The Minister: Gura mie eu, Eaghtyrane. I thank the Hon. Members for their contributions.

2100 It is fair to say that what we have before us here may not be one size fits all, it is not a silver bullet and I will come back to what we have in terms of a broad range of support. But what I would like to do first is actually go through the individual contributions.

2105 Mr Robertshaw and Mrs Barber kindly organised a presentation and I really appreciated it. I attended it and spoke ... I know some of the individuals involved. I have been, as have other Members, along the Promenade and met with the businesses. I think we as a Court are aware of the extreme stress businesses are under.

2110 Mrs Barber talked about the human impact and I would genuinely say we do feel it and that is why certainly our Department, and hopefully collectively Government and Tynwald together, do take on board these and we are looking to see how we can best actually help these businesses. So I do thank them for the opportunity of meeting with those people and hearing about it first-hand.

This might seem as a gesture in one respect, but I think it is a pretty substantial gesture, to be quite honest with you. I certainly welcome the ongoing examination by the Scrutiny Committee which we as a Department will obviously be monitoring very closely too.

2115 There has been quite a bit of discussion around the appropriate figure and the purpose of the accountant. There are a lot of business people here in this Court, who are involved in a number of businesses and understand the real value of a business: you will need to understand the figures and your business plan. In some cases, some businesses cannot really actually afford an accountant. So £450 might actually be a reasonable figure, but I would point out that there is a loan available there and they could actually apply for other purposes for that loan for the benefit of business planning and not just accountancy.

Mr Robertshaw highlighted the point about the figures. The minimum figure for application for a loan is £5,000 up to a maximum of £50,000; and there can be multiple applications.

2125 Mr Cretney highlighted a point about viability and Mrs Maska highlighted the very same point. That again comes back to the accountant, why an accountant is necessary there to assess the application, assess the viability, assess the sustainability, assess the business plan that is coming forward, because at the end of the day, what we want here is clearly businesses that will be sustainable and will actually be operating successfully and sustainably after the refurbishment is complete.

2130 Mrs Barber thanked us, I think, in terms of recognising the severity, which I just touched on there. But she also highlighted eligibility in terms of a Promenade business or not and the red line. There is a map there that highlights where those businesses would be eligible and if there are any discrepancies in that, we will certainly come back to them.

2135 She also highlighted the point with regard to the rates rebate, which frankly has been around for *many* years. Rates rebate: the Chief Minister mentioned Port Erin regeneration works and several Members in this Court have lived through regeneration – the painful experience that it is. But when you do come through the other end, it is actually very positive because you see that, after the public money is spent, private investment does return. But I recognise that it is a significant period before businesses can return to the turnover and the viability prospects that they did have in the past.

2140 But it is really important to recognise that that rates rebate has been around for a long time. I would suggest it is quite onerous and this is why we have supported and recommended that the

review of the rates rebate is done en bloc. I understand that is actually going to a tribunal, possibly this month. I am not too sure of the date but that I think is between Treasury and Douglas Corporation, who also have a very clear vested interest in this.

Mrs Barber highlighted the issue with regard to the infill and I thank Mr Baker for answering that on behalf of the Department of Infrastructure. But I think Mrs Barber also highlighted the point there with regard to working together and comments that had been made perhaps by various Members. I just want to make very clear and very public: we as a Government, and certainly as Tynwald, do need to work together to try and help achieve what we all want here and that is a Promenade we can all be proud of; but recognise there is still a significant journey to travel.

Mrs Poole-Wilson highlighted the point which she did send an email ahead of time with the guidelines with regard to repayments. I would just highlight what we tried to do here is make the guidelines, and the whole process really, as simple as possible here for the businesses. The intention is to make it simple, the repayments straightforward. But the repayment schedule will be proposed by the applicant, agreed by the accountant, and then the Department. Then it is possible to change the repayment schedule at a later date, with the overriding rule being that it should be paid within 10 years of receipts. So no repayments will be required until completion of the DoI refurbishment date being complete. So that is a possible moving date. So I just want to highlight that what you will be doing today is voting on the Scheme and not the guidelines. We can make them clearer if they are not straightforward.

I would also highlight the point that this is interest-free and it is unsecured as well, which clearly is very unusual for any type of Government support. So that is very important as well.

I think Mr Baker also highlighted, the whole purpose of this and that is it is about a potential cash injection in these businesses. What we have heard through all these businesses is cash flow – cash-flow problems. It is key. Why? Because they are not getting the footfall. So cash flow, cash injection, is exactly what this loan is meant for.

I thank the Chief Minister for his comments and his recommendation for a very reasonably priced accountant, by the sounds of it, which could be very helpful!

I also thank Mrs Lord-Brennan from Council with her contribution, who I know used to be in the Department and is very familiar with some of the individual businesses down there. But she highlighted a point there about the central projects unit, which I know my colleague, the Treasury Minister has highlighted possibly to take a look at. Whilst that may be a good principle and something to consider for the future, what we need to consider is how do we get through this right now? That is why we have the involvement here.

Mrs Maska highlighted tourism: very, very much on our radar. Our Visit Agency: my colleague, Mr Callister has been making a lot of representation, meeting with tourism businesses, because their impact is likely to be very different. It might be delayed. We do not quite know what it is and that will be part of the monitoring process. We are looking at an alternate scheme that might be brought forward for their benefit, because clearly we need to ensure that the tourism businesses are maintained, because at the end of the day, Douglas Promenade is the Isle of Man shop front and tourism business is absolutely critical. Whilst the purpose of the Promenade might have changed over the last century, what we do have there is still 70% of our hotel bed spaces on Douglas Promenade. We do want to ensure our tourism businesses remain viable and sustainable, so we are monitoring that very closely and we will consider that going forward.

Last but not least, which I just highlighted: what is before you is a loan scheme. A £50,000 loan scheme for the retail and hospitality industry. Tourism, we will consider again, but this is part of a broad range of schemes that we, particularly the Department of Enterprise, in Government are trying to support. We have already provided the opportunity of a grant up to £6,000. We have provided them marketing support up to £2,000 and I will just take an opportunity to highlight three other schemes that are available that businesses can apply for, which are: our Business Improvement Scheme, which they can use for a host of different

2195 services; the Energy Saving Scheme, which can actually help them save money; and also, which you supported last month, Hon. Members, there is the Regeneration Scheme. So there is an opportunity for application of support through the Regeneration Scheme going forward.

So this is a part of a broad range of schemes. I hope Hon. Members will support this Scheme and we will continue to monitor this and see this through.

2200 With that, Eaghtyrane, I beg to move.

The President: Hon. Members, the motion is that the Douglas Promenade Support (No. 2) Scheme be approved. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

Thank you, Hon. Members. That concludes the December Order Paper.

Procedural and season's good wishes

2205 **The President:** Could I remind members of the Tynwald Standing Orders Committee that there will be a short meeting five minutes after the end of this sitting in the Clerk's office.

I remind also Hon. Members that there is the Tynwald Carol Service tomorrow at ten past one at the Church of St Mary of the Isle in Hill Street. I hope as many as possible can attend and look forward also to being joined by members of the public.

2210 Meanwhile may I wish you and your families a very happy and peaceful festive season.

Several Members: And to you, Eaghtyrane.

The President: Thank you, Hon. Members.

2215 The Council will now withdraw and leave the Keys to transact such business as remains before it.

The Council withdrew.

House of Keys

The Deputy Speaker: Hon. Members, there being no further business, we now adjourn this meeting until the next sitting of the House at 10 o'clock on Tuesday, 17th December in our own Chamber.

2220 Thank you.

The House adjourned at 3.24 p.m.