

Chris Thomas – Douglas Central

Political Questions (2016)


Why do you want to be a member of the House of Keys?

To contribute **to making government effective for people** by continuing to i) **bust political and public finance myths**, ii) **encourage evidence-based policy making**, and iii) **use my judgement and experience as your representative when difficult political decisions are made.**

If you were elected, what would your priorities be on a national level?

To engage people and work with other MHKs to draw up a Government Programme 2017 – 2021 so that the next government is formed around policy and with a clear mandate. I agree with Lord Lisvane that this “could be completed within two weeks”, as the Chief Minister is elected and Council of Ministers is appointed. Government should then propose this programme to Tynwald with financial and legislation plans at the beginning of 2017. The last government’s “Agenda for Change” and “Scope of Government” recommendations were not debated in Tynwald until sixteen months after the last general election! National priorities:

- Election of the Chief Minister in public and in line with the vote of the elected MHKs;
- Approving a “Government Programme 2017-2021” in Tynwald



soon after this election, alongside a realistic medium-term financial strategy and indicative legislative programme;

- Making economic growth more useful by raising people's incomes and making money go further, including by light-touch regulation of standing charges and the profitability of near-monopolies;
- Rebalancing the balancing of the budget to stabilise public finances including reducing effective tax rates for those on lower and middle incomes;
- Legislating and training to enable everyone not just to protect vulnerable people;
- Ensuring pensions and benefits rise at least in line with prices;
- Continuing to negotiate adaptations to employer pensions given changed realities;
- Securing public services by providing public servants policy direction so that efficiencies and synergies can be realised;
- Encouraging Island and re-locating businesses, including by localising government spending;
- Means testing after needs testing only when necessary to minimise bureaucracy;
- Joining up housing strategy,

If you were elected, what would your priorities be on a constituency level?

streamlining planning and revisiting conservation policy so that people can live in Douglas, including re-using derelict, empty buildings and sites thus conserving our countryside, public open spaces and built heritage;

- Prioritising renewal for public buildings, structures, roads and pavements;
- Rebuilding public confidence in Tynwald through step-by-step enhancement; and
- Allowing Douglas Council to deliver all local services, including parking, town access and open spaces.

Constituency priorities:

- A schedule to renew roads and pavements;
- More permitted development and provision of incentives and relaxation of petty controls for conservation area work;
- More enforcement of parking controls and implementation of traffic calming initiatives in various places around the town;
- Maximum class size in primary schools, relaxed catchment area policy;
- Encouraging people to focus on

How well do you think the present administration has handled the major challenges of the past five years?

implications of Eastern Area plan, as well as plans for Quay, Lord Street/Parade Street, Nunnery etc.; and

- Joined up support for sports, open space, and arts.

Foundations laid in several areas (e.g. anti-discrimination, health and care strategy and legal framework, new school and college buildings, efficient 'blue-light' emergency services, criminal justice modernisation, public sector pensions 'cost-envelope', focus on planning, new sea services agreement tender preparations etc.), **but too many myths have been propagated** (e.g. the NI fund which is not running out, the retirement age which is not increasing to 74, population which Ministers say should rise but which is declining because of inadequate focus on the real quality of living, three decades of economic growth which has unfortunately not filtered down to average earnings and public revenue receipts sufficiently). **This next government needs to present unvarnished truths and explain clearly what government is doing in the light of them.** Each of the current government's "Agenda for Change" priorities needs to change. **Rather than "Growing the Economy" we need to "Grow More**

What are the main political and social issues facing the Isle of Man in the next five years?

Usefully”, to put more of our economic growth into people’s back pockets and to make that money go further. Rather than “Protecting the Vulnerable” we need to “Enable Everyone”, through more money for those in the middle, and with fairer social security, and equality legislation. Rather than “Balance the Budget” we need to “rebalance the balancing of public finances”, with fairer allocation of who pays into the public purse and who gets what from it.

I am a glass-half-full politician, and continue to beat the drum for our community and our Island, “but why should I always spin and gloss over some realities and justify the continuation of some policies that I believe need changing? ... I am not boosting the knockers, only knocking the excessive boosting of some government policies and achievements,” as I said in my budget speech in 2016. Main political and social issues are:

- **Some with insufficient money to afford a decent standard of living;**
- **Public servants who feel ‘battered’ by some politicians and members of the public;**
- **Fragile government finances which need handling with care to sustain services, provide**


How would you deal with the challenges referred to in the previous answer?

adequate social security, keep pension promises and renew infrastructure;

- **An evolving international position after BREXIT and emerging tax-related challenges; and**
- **Two thirds of people do not have confidence in Tynwald.**

The Government Programme 2017-21 should address them with measures including these:

- **Making economic growth more useful by raising people's incomes and making money go further,** including by i) light-touch regulation of standing charges and profits of near-monopolies (e.g. freight, gas) and encouragement of fair trading/competition elsewhere, ii) reducing effective tax rates for those on lower and middle incomes, iii) raising pensions and benefits at least in line with prices, iv) lowering other costs for businesses in lower paying sectors so that they can afford to pay living wages, v) introducing a new bond-financed 40 year plan for the Manx Utilities Authority to constrain price rises for electricity, water, sewerage, and waste, and



vi) bringing Douglas rates to the all-Island level through reforming the rating system and consolidating synergies in provision of local services;

- **Continuing to negotiate adaptations to employer pensions given changed realities** and providing **clear policy direction** (which will secure public services by allowing public servants to realise efficiencies and synergies!). Moreover some politicians need to stick to policy and operations oversight, not trying to become day-to-day managers. A **code of conduct** should be introduced;
- Total reserves are as large now as they were in 2011 so **we are not 'bust'**. What have reduced since 2011 are the government's 'net assets' (which are down as much as the public service pension actuarial liability is up) and the Public Service Employees and Reserve Funds (drawn down by £100 million). **The bedrock of our future is our £750 million NI Fund which underpins our state pension and social security for decades to come**, with care and some adaptation to changing circumstances. We do need to **eliminate the £75 million annual**

structural deficit in government's budget in the rebalanced way outlined in my manifesto,

especially by relieving the pressure on poorer and middle-income people and small businesses by replacing the 'sleetchy' stealth taxation of new and increased charges with a policy of low but more broadly-paid taxes and rates. The starting point has to be complete and accurate presentation of our public revenue situation for negotiation and agreement of effective government in the light of it;

- Re-evaluating our social and economic comparative advantage as a small, continentally-peripheral Island and **testing whether current policy on autonomy and external relationships is to our benefit** (see answer below); and
- **Rebuilding confidence in Tynwald** by step-by-step enhancement (see answer below).

It is also important to pump-prime a housing association to provide rented and shared-equity affordable housing without public subsidy (including with long-term financing at historically low interest rates). This should be the centre-

How would you deal with the issue of public sector pension reform and the public sector pension deficit?

piece of an integrated housing strategy including modernised tenancy legislation, consolidated public sector housing, and better sheltered and extra-care provision.

Government also needs to revisit its frameworks for aligning its activity with that of business, local authorities and the third sector. Guarantees, social value procurement, and co-financing could all be part of government's contribution.

The **negotiated 'cost-envelope' provides both ring-fencing of, and a limit to, general revenue financing of the public service pay bill** in the future. **Solid negotiations** about reform are welcome. The constraints of government's optimistic Medium-Term Financial Forecast and under-developed Medium-Term Financial Strategy are now acknowledged, and there seems to be realism all-round about the need i) to do everything possible to ensure pension promises can be kept, and ii) to address generational, private/public and intra-profession fairness as the approach to tackle funding and the public service pensions 'legacy' is worked-up. Immediate priority is to complete negotiations about what form the 6% future service benefit reduction will take, and how the 2.5% increased

**What has changed in the past five years for Isle of Man residents for the better?
(Please give examples)**

contributions will be paid, alongside the additional 1.6% when contracting-out is ended in 2019. We need to align the expectations of those inside and outside of the public service pensions system, and encourage private saving so that pensioners can afford an active, healthy and secure living as they get older;

Focus on need to live with reduced public revenue, and on need to align the interests of our Island's people with those of our neighbours across and other nations beyond. Progress eventually on disability discrimination and equality legislation and enabling everyone as a consequence. Continuing economic growth and successful focus on localisation of food and leisure sectors. Steps taken to consolidate synergies in local and national government provision through adjusting their scope, structure and financing (e.g. changes to waste management, establishment of combined public sector housing lists, Garff created by merging Laxey, Lonan and Maughold). Turning health and care provision around from a low-point in 2013, and initial progress on making government's contribution to housing more effective.

What has changed in the past five years for Isle of Man residents for the worse? (Please give examples)

Little, if any, growth in incomes for working people, and divisive focus on helping some flourish and stigmatising vulnerable people who politicians assert need 'protecting' rather than 'enabling'. Inadequate maintenance of national infrastructure (roads, pavements, flood defences etc.). Rebalancing has been somewhat artificial as i) capital was provided for free (e.g. 0% pa interest), ii) investment funds were used for revenue budgets (e.g. regeneration/paving, economic development etc.) and iii) other revenue expenditure was classified as a 'capital project'. Public servants feel 'battered' and some public provision needs to be de-politicised.

Is the Isle of Man too reliant on any one sector of its economy?

The economy is more diversified than it was, and this trend should be encouraged by government where it can. **Economic sectors should always be as local as possible**, with exports encouraged.

If you feel it is, how would you further diversify the Manx economy?

Politicians should limit themselves to creating a framework for people and business to work together to generate wealth, with the state i) regulating for fair trade ii) raising public revenue in a way that encourages local business and iii) working with trade and professional

Are you in favour of increased independence from the United Kingdom?

bodies to match local supply and demand and encourage exports, iv) making public procurement more accessible and minimise red-tape and paper-work. Department of Economic Development should continue to shrink as public-private-third sector co-operation grows, and politicians will need to make sure public servants acknowledge this.

No nation has complete sovereignty nowadays. **The Isle of Man should use the political, legal and financial autonomy it has to secure its own interests; but reciprocity of arrangements for market access, tax, social security and citizenship/migration will continue to remain important for any small Island nation on the periphery of a continent.**

The UK-EU section 50 withdrawal negotiations provide an opportunity to rethink our interests and consequent arrangements for goods, people, services and taxes; but our smallness constrains the degree of independence we can seek. How we work with the UK, our 'affinity' (e.g. Scotland, Ireland, England, Wales, Norway, Iceland, Channel Islands, and Commonwealth countries) and other nations will be in the melting-pot for some years and this can provide an opportunity. If government

fails to negotiate the status-quo in Europe as it is currently trying to do, or chooses to try to change it, the proposed arrangements need to have popular consent, perhaps demonstrated in an Island referendum.

If you are, in which areas?

A fairer TV licence fee arrangement is an initial negotiating objective followed by our relationship with EU members and other nations. Some areas of focus are i) market access for goods and services, ii) citizenship/migration, iii) tax information exchange and other arrangements, iv) participation in Irish Sea, European and international cultural, environmental, and educational frameworks and programmes etc. Ellan Vannin should increase its participation as a nation in international sporting activity wherever it can and when it would be beneficial. For instance an application to join UEFA as a football nation would seem a logical next step in an evolution of England country status, Commonwealth Games participation, Island Games and British Team GB and Olympics Association success.

Are you in favour of parliamentary reform in the Isle of Man?

Yes. I moved successfully in May 2015 that an Independent Inquiry into the Functioning of the Branches of Tynwald

If you are, which aspects of the parliamentary system would you change?

was established and contributed fully in the Lord Lisvane review. My motions also led to i) modernised public petition process ii) some publication of voting records of Tynwald members iii) changed procedure for electing the Chief Minister nominee iv) consideration of code of conduct, schedule of penalties and a recall-election procedure for Tynwald members.

Any indirectly or nominated members of Tynwald (MLCs) should have their powers constrained, specifically i) when electing Chief Minister ii) when voting on financial matters. **There is one Minister and MHK member per department to remove the “reputational liability” arising from “the perception or reality that members are receiving significant salary enhancements for a role that at worst may be unnecessary”, as Lord Lisvane put it.** Tynwald's committee system needs to develop to contribute to emerging policy development as well as scrutiny, and engage more beyond Government Ministers and Chief Executives, for instance with bodies like Health Services Consultative Committee etc.. The establishment of a Tynwald Ombudsman and Auditor-General – as intended in 2011 when the legislation was given Royal Assent - will contribute

Who should have the responsibility of electing the Chief Minister?

to improving service delivery and encourage more effective public spending.

Directly-elected Tynwald members. All candidate MHKs should make it clear before the election where they stand in respect of important policies to maximise the link between the electorate and the government that emerges in the post-election coalition of independents.

Are you in favour of the nationalisation of air and/or sea services to and from the Isle of Man?

No, government should not run operational businesses. Instead there should be 'competition for the market' in a tender process with appropriate contractual and regulatory arrangements afterwards. But government can borrow at historically low long-term interest rates and this might be useful to finance infrastructure and craft which could be 'leased' either to a private sector operator or to a company limited by guarantee with the Manx people as members. Contingency plans should be prepared for light-touch regulation of air and sea services to make sure business and the travelling public have a service suitable for our Island's needs.

Are you in favour of renewable energy projects in Manx territorial waters?

In principle yes; but our territorial seas are valuable for many, and the planning consent regime needs to balance both the potential uses (e.g. leisure, fishing, energy etc.) and the developmental benefit and environmental impact.

Are you in favour of an increase in means testing for financial support and/or services provided by Government?

Means testing is always difficult given issues arising from 'disguise' of means and also which means of which people should be taken into account when the assessment is made. Moreover the process of means testing can be bureaucratic (e.g. public servants, IT), intrusive (data collecting) and divisive (between those who receive something and those who do not). Consequently I am in favour of **universal, cost-effective provision whenever possible** (i.e. where the need is universal) with means testing on some occasions. Moreover it is important to remember that **means testing is about both i) providing rebates to poorer people and ii) allowing richer people to pay more for access to specialised provision when they have a need but can afford to pay more** (e.g. public sector sheltered housing).

If you are, in which areas?

Housing, inside an integrated tax and social security system, non-essential health and social provision etc.