

**2. Communications Bill 2018 –  
First Reading approved**

HM Attorney General to move:

*That the Communications Bill 2018 be read a first time.*

**The President:** We turn now to Item 2, Communications Bill 2018 for First Reading, and we call on Her Majesty's Attorney General.

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**The Attorney General:** Thank you, Mr President.

The main purpose of the Communications Bill 2018 is to bring together the legislation governing the regulation of telecommunications and broadcasting currently dealt with separately in the Telecommunications Act 1984 and the Broadcasting Act of 1993. This Bill, in updating the regulation of telecommunications and broadcasting on the Island, also updates and modernises the terminology used in existing legislation.

Hon. Members, the scope and use of technology has changed significantly since 1984 reflecting the fast-changing nature of the communications industry. The Bill largely adopts a technology and service-neutral approach to allow for flexibility in the future and it has been drafted with future-proofing in mind. The Bill is therefore largely a technical document and it has taken some years to draft, including two rounds of formal consultation with additional supporting input from specialists. Throughout the development of the proposals contained in the Bill, the Commission has consulted with industry here on the Island and I am advised that industry is supportive of the Bill's provisions.

The Bill provides for, and better defines, the functions of the Communications Commission as the national regulatory authority for the communications sector on the Island. Whilst the Commission is primarily an economic regulator of the telecommunications market on the Island it also has a role in establishing and regulating standards in the broadcasting sector. The Bill also provides the Commission with new stand-alone competition powers in the telecommunications field. There are also more clearly defined enforcement measures, such as fines and other penalties, in both broadcasting and telecommunications. These provisions will help the Commission ensure that the market is a level playing field for all operators in the communications sector to compete.

In the telecommunications field, the Commission's *ex ante* regulatory provisions are placed on the face of the Bill rather than in the licence, as at present. Regulation is typically either *ex ante*, before the event, or *ex post*, after the event; the main difference is that *ex post* regulation seeks to impose a penalty after an issue has occurred, while *ex ante* regulation seeks to prevent the issue from occurring in the first instance. The competition powers the Commission will receive under the Bill are an example of *ex post* regulation. Anti-competitive actions must have occurred or be occurring in order for the Commission to impose a sanction or penalty. The powers on which the Commission currently relies are in the telecommunication licences which are now contained on the face the Bill and will be *ex ante*. The Commission believes that *ex ante* regulation is the most appropriate form of regulation, though it acknowledges the need for *ex post* complete competition powers at the same time. *Ex ante* regulation is also in keeping with best practice for telecommunication regulation around the world.

The Commission's view is informed by the fact that the telecoms market is well-established and understood and it is possible to proactively impose suitable remedies to ensure harm does not occur to competition. It is also due in part to the fact that in a market in which there is an incumbent with significant market power, while taking action after the event may well punish the anti-competitive behaviour it is oftentimes too late to impose a remedy as the market could have been foreclosed before the harm came to light. That is not to say that the *ex post* competition powers are not required. But what the Bill does is ensure that the Commission has a full range of regulatory tools at its disposal.

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In this regard, the *ex ante* approach to telecoms regulation is to ensure that all operators have equal access to the existing network at a wholesale level, thereby ensuring that operators in the retail market are competing on the basis of efficiency rather than any other factor. The most efficient and innovative operator should be able to win consumers by being able to offer the most advantageous products to consumers. In practice, it is uneconomical for a new entrant to build a new network to effectively compete with Manx Telecom. To ensure competition occurs in the retail market, Manx Telecom must offer competitors access to its network on the same costs and terms as its own retail arm. This in effect means that the network itself covers its own operating and investment costs, with these costs being covered proportionately by all users and removes the opportunity for anti-competitive behaviours by preferential pricing or restricting access.

As far as setting prices in the retail market, with all operators having a level playing field in terms of the cost of their input – that is the access to the telecoms network – they are incentivised to offer the best value package they can achieve to customers. Furthermore, they are incentivised to maximise their returns through operational efficiencies as common costs in terms of network access are the same for all operators. This means that prices are set by market forces which are far more likely to be closer to the true cost – that is, what the price would be if there was no profit included – and a price set by a regulator.

Regulated prices are also typically only relevant at the time they are set and can quickly become out of date as demand, operational efficiencies and other forces evolve. This is typically seen when all market offerings tend to differ little from a regulated price; for example, in areas where a maximum rent is set it is typical to see all properties offered at or very close to the price regardless of other factors. There is also the danger that the price can be set too low and long-run competition can be harmed through operators not being able to make sufficient returns and pulling out of the market.

The regulatory provisions contained in the Bill have been considered in the context of them being human rights compliant. I can confirm that they are considered compliant being, as I mentioned, in keeping with best practice around the world and in particular in line with European Union standards and practices reflected in the United Kingdom’s approach to such matters.

Hon. Members will note that there are repeated references to rights of appeal and the requirements for procedural fairness are applied extensively to ensure compliance. A question was raised in the Keys about the absence of an appeal right in respect of class licences. The reason is that a class licence is, by its very nature, a matter in respect of which no one individual or body will have a particular interest and whether or not there should be a class licence is a policy question, which is not readily susceptible to review by a legal right of appeal.

It was said in the House of Keys and has been commented upon elsewhere, that having a political Chair of such a body as the Communications Commission is unusual. There was considerable discussion in the House of Keys on the matter of the political chairmanship of the Commission with an amendment put forward by Mrs Caine which would remove the political chairmanship. That amendment was defeated. The Bill is concerned with function not structure and, whilst there was a lot of discussion about the merits of the Chair being political or not, what is not being considered at all is what is the most suitable structure and what that structure would be.

My understanding of the Commission’s position is that its board would prefer to defer the further examination of the actual structure of the Commission until after the Bill, if passed, has been implemented. In this regard the Chairman of the Commission provided an overview of the Commission’s position on the matter in the House of Keys – specifically, that the Commission is not averse to supporting a change in its governance structures. The Commission’s only concern is that the decision on its future governance structure is ultimately informed by a consultation process that considers all available options in an objective manner and takes into account the views of all stakeholders.

The Commission would like me to assure Council that commencing a consultative process on the Commission’s governance structure is in the Commission’s work plan for the coming operating year.

The National Telecom Strategy recommended that the Commission consider and consult on its structure after this Bill has passed into law, and that is what the Commission intends to do.

745 The mechanism for amending the chairmanship of the Commission lies in secondary legislation. It can be amended at any time by the exercise of the power in Schedule 2 to the Government Departments Act 1987, as applied to Statutory Boards by section 5 of the Statutory Boards Act 1987, whereby Council of Ministers may by order change the constitution of a Statutory Board. Such order is subject to the approval of Tynwald.

750 To conclude, the Hon. Member for Ramsey, Mr Hooper, put forward amendments to the Bill designed to recognise the harm that can be caused by messages; and, thanks to further amendments from Dr Allinson, the harm that images sent online can also cause. Those amendments were accepted by the House of Keys and are incorporated in the Bill now before you.

755 There will be a further minor amendment to the amendments made in the House of Keys for Council to consider and that is to bring the defence to any offences in relation to messages and harmful images in line with existing legislation.

Mr President, I beg to move the Communications Bill 2018 be read for the first time.

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

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**Miss August-Hanson:** Thank you, Mr President.

765 I second the Bill in support of Home Affairs, the Communications Commission and, chiefly, the Attorney General. I do not intend on repeating the words of the learned Attorney General, who put it so well, but what I will say is that there is a great need for modernisation, positively promoting confidence in the legislative foundation stones of the telecoms and broadcasting industries, in keeping stability and continuity with the regulator to enable a thriving and innovative set of industries.

770 In relation to the political Chair, the Chairman of a Statutory Board is not the same position as a Minister of a Department – the Chairman has no authority to act or take decisions on behalf of the Statutory Board except in the very limited circumstances as provided for in Schedule 2 of the Statutory Boards Act 1987, or in accordance with an authority to exercise functions approved by the board. There was discussion, as the learned Attorney said, in another place and strong words on both sides of the debate following an amendment put forward by Mrs Caine, which was defeated, regarding the political Chair.

775 I would like to shed some light on how the Communications Commission intends to react to that debate. It says it is not averse to change; it simply wants the matter to be dealt with in an appropriate and evidence-based way. Any form has to be appropriate for the entire industry and not just for certain parties, so the Communications Commission has released an information notice on its website yesterday and we have circulated that to Members of Tynwald this morning. I would just like to read that out for the benefit of *Hansard*:

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1. During the Clauses stage and the Third Reading of the Communications Bill 2018 there was a debate surrounding the appropriate governance structures of the Communications Commission (the Commission) – specifically in relation to the Chair of the Commission being the sitting Minister for Home Affairs. The Commission acknowledges that this is a discussion that has been ongoing for some time in certain quarters.

2. The Commission also notes that there is a recommendation in the Government's National Telecommunications Strategy that urges the Commission to "review its processes, procedures, and structure on enactment of the Communications Bill".

3. The Chairman of the Commission provided an overview of the Commission's position on this matter in the House of Keys, specifically that the Commission is not averse to changing its governance structures.

–something which the Chairman of the Commission stated at Third Reading, saying that it is not averse to change, it simply wants the matter to be dealt with appropriately.

The Commission's only concern is that the decision on its future governance structure is ultimately informed by a consultation process that considers the available options in an objective manner and takes into account the views of all stakeholders.

4. In light of the [previously] mentioned recommendation, and a proposal in the House of Keys that the Commission commit to consulting on its structure within 12 months, the Commission can confirm that commencing a consultation process to elicit the views of all stakeholders on its future structure has been included as an action in its Work Plan for the coming operating year. This is also an acknowledgement on the part of the Commission of the importance of ensuring it is best positioned to effectively regulate what is one of the most important sectors on the Island in both economic and social terms ...

5. The Commission will be in a position to provide further details and timelines once the Communications Bill has passed through the Legislative Branches; however, the Bill's passage through the Legislative Branches is currently a priority as is the current round of market reviews.

And we need to enable that.

Thank you, fellow Council Members and Mr President.

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**The President:** Mr Cretney.

**Mr Cretney:** Thank you, Mr President.

I would like to thank the Communications Commission for the presentation they gave Members in advance.

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This morning at 9.49 a.m. I, and I presume all other Members of Tynwald, received this information notice which I think I have just heard was released last night. So to start with, that is a bit disrespectful to Tynwald Members for it to be released publicly last night and then for us only to receive it at 9.49 this morning. However, a minor point.

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I think, in terms of telecommunications, we are all at one and we all recognise that the Communications Commission needs to have the best facilities for it to regulate that area of the Island's economy – very important for the future. So I do not think there is any question there.

My concern is about regulation of broadcasting and *perception*. I hear what the Hon. Member, Miss August-Hanson has said in relation to the difference between the Chairman of the Commission and the position of a Minister. I still believe there is a perception that there could be a conflict and I regret that, having taken as long as it has, which the learned Attorney mentioned earlier, to get before us that we are still now going to have a further consultation on whether or not there should be a political Chair.

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At the presentation we received in the Barrool Suite, I asked the officers present would they be prepared to circulate to Hon. Members what models exist elsewhere and, in particular, those that have a political Chair. To date, I have received no response whatsoever to that request and I think that is a bit unfortunate as well, really. This is something we should correct here in this piece of legislation rather than consulting further.

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**The President:** Mrs Lord-Brennan.

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**Mrs Lord-Brennan:** Thank you, Mr President.

It also concerns me, the idea of going back for a third consultation about this particular matter because it makes me think that actually the regulator is setting up its own way of doing things. It is right that the regulator should be there to regulate industry, but I think the learned Attorney commented that we are looking at function, not the structure; that is right, but I think that the function of something is totally affected by the structure of it. So I really do think it is worthwhile addressing that here.

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I suppose I would take a bit of a step back because I think there is a certain unease ... 'We don't know what the answer is and we're not sure about the best way to go; let's ask industry and let's ask all the stakeholders'. Whereas, to my mind, from I suppose a bit of a detached taking the long-term view which is right – we have heard about best practice and the long-term view, and I think it is really appropriate for us to consider that here.

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If you think about the governance matter, then quite clearly a best practice governance approach would indicate that the Chair is not a political Chair. And the other options, of course, would be to

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have things like ... 'You would not want it to be an industry Chair; you would not want it to be a political Chair – you would want it to be an independent Chair'.

I guess my point of view, coming from a background where I have had training to do with governance and that side of things, is that actually it is quite possible to have an independent Chair that is skilled at being a Chair and that is what they bring to the table. But they do not necessarily need to be somebody who is engrossed in all the actual detail of the industry; they need to be able to chair.

So I think we do need to think about best practice and the long-term view, and I do not really take comfort from the further round of consultation. We should, as the legislature, be able to set out the parameters and the expectation of the Government in the long term.

That is probably all I would say at this stage.

Thank you, Mr President.

**The President:** Mrs Poole-Wilson.

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**Mrs Poole-Wilson:** Thank you, Mr President.

I think I would like to echo some of what my fellow colleagues, Mr Cretney and Mrs Lord-Brennan have highlighted. I do think it is unfortunate that we know this Bill has taken a considerable amount of time already to come before us. There have been two rounds of consultations already. Stakeholders *have* made their views known on the issue of a political Chair, some of whom say that there absolutely should not be and some of whom are a bit neutral about it. But there is some information.

I think what is missing from those consultations and this current information notice is no reference to what best practice governance should involve. I think if you ask your stakeholders you will get different answers because they are going to be quite driven by their own interests. I think there has to be a recognition of what best practice governance and regulation involves.

I also think it is unfortunate that this Bill, we have been told, future-proofs in many ways – which is quite right that we have a piece of primary legislation that takes a long time to develop and that therefore includes some future-proofing. But given that the mood seems to be that we should look at this issue of governance and structure, and indeed the sense actually even from the current political Chair seems to be that, yes, we should change it but just not at the moment. It seems somewhat unfortunate that we do not then provide in a future-proofing way in this primary piece of legislation for that change to occur. A change, then, that is considered and thought about and debated by both Branches of Tynwald as opposed to waiting for an order to be made at some point by the Council of Ministers under the Statutory Boards Act.

So I do have some concerns that we do not now pick up correctly these issues and take the long-term view and ensure that this piece of legislation, into which an awful lot of hard work and time and energy has been put, does not miss a trick by not providing for the potential for future change, even allowing for potential consultation.

I think the other thing that I would like to ask is: if there is going to be further consultation on the governance structures of the Commission, is there going to be an absolute guarantee that it will look at *best practice* governance, not just the views of stakeholders?

Thank you, Mr President.

**The President:** Mrs Sharpe.

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**Mrs Sharpe:** Thank you, Mr President.

I hear and I understand the arguments which have been put forward by my hon. colleagues in Council that it is not appropriate that we should have a political Chair of the Communications Commission. And I agree. But I wonder whether now is the exact point in time to be addressing this issue. I say that because I think that we are just at the beginning of looking at the future of

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broadcasting on the Isle of Man. I think that the recent report into public service broadcasting was just the very beginning of a conversation which is yet to be had.

880 It is essential that we bring this Bill through as soon as possible because we need to bring Manx legislation into line with that of Europe, and beyond, in order to encourage the telecommunications industry. That is one side of the coin. The other is the broadcasting, of course.

885 But I have issues with this Bill. I know that it has taken a long time to get here, but one of the issues I have is that it amalgamates telecommunications and broadcasting which really ... I know that at the time when the Bill was in its embryonic stage this was considered to be the logical thing to do. But I think now it is roundly accepted that they are two very different subjects and they are two very different worlds. And as one of the contributors to the report said, it is the difference between the pipes, which are the telecommunications, and that which flows through the pipes, which is the content – your broadcasting content. Really, they should not be in the same Bill. But we are where we are.

890 I think that when we look to the future there may be a separation out again between telecommunications and broadcasting. The Communications Commission which, to its credit, has been very open in saying that they are willing to discuss potential changes, the Hon. Minister, Mr Malarkey also is willing to discuss future changes. I think that the whole role of the Communications Commission could change; we could see a separation out between

895 telecommunications and broadcasting.

There are a lot of changes to be made in the future and what I am saying is this might not be the time to start interfering with the Chair of the Commission at the moment.

Thank you.

900 **The President:** Mr Henderson.

**Mr Henderson:** Gura mie eu, Eaghtyrane.

I would like to wholeheartedly endorse the comments by the Hon. Member, Mrs Sharpe; I think she has made some very valid and pragmatic commentary on the progress of this Bill to our Chamber. I am just a little worried: this Bill is 153 clauses long, of which the issue of the chairmanship is only one tiny speck and why this is taking almost extreme prominence – not just here, but in another place. I say that because if you balance that against the changes and the upgrading to the old legislation that this makes, it has considerably more effects taking place and we need to be analysing those as we go along.

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910 The House of Keys resoundingly passed this Bill and resoundingly rejected the issue of the Chairman that was placed before it by way of amendment. And they have resoundingly voted upon what they see as the policy and the legislation coming up here, so another reason why I support Mrs Sharpe's commentary there, in reference to that. And there are a lot of big issues within this Bill to consider – all, in my view, pragmatic and common-sense approaches to addressing what, in the Bill it is replacing, has not become defunct exactly, but the wording and upgrades that are required certainly do ... So we need to take that on board as well, Eaghtyrane.

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Gura mie eu.

920 **The President:** Yes, Mrs Lord-Brennan.

**Mrs Lord Brennan:** Thank you, Mr President.

I just want to comment, I do not really think it is right for us here in this Council to be pragmatic to the detriment of being robust with what we are doing and what we are reviewing.

925 Next, I would like to say that I think in the other place it was very hotly debated, the matter of the political Chair. I would not go as far as to say it was resoundingly rejected, I think it was a significant point that was rightly laboured over. So I do not think it was as clear cut as that.

Also, I think earlier on the Attorney General mentioned that the industry was supportive of the Bill's provisions, but talking about going to another consultation I wonder if there was a summary to

930 hand of any industry comments on, particularly, the political Chair. I just think it is probably good, if there is, to air that now, if that is available. If not, that is fine, it can be revisited.

**The President:** Mrs Maska.

**Mrs Maska:** Thank you, Mr President.

935 I think this is a very important Bill, when we consider that communication and broadcasting affects every citizen in this nation whether it is coming into our home or whether it is telecommunications technology that you have in your hand. Sometimes it is not always perceived, the importance of a Bill like this – so the importance of it being absolutely open and transparent is a vital impact on all of us.

940 I do think issues such as a political Chair also need to be seen in that context so that again, when this Bill becomes an Act and is future-proofed, it can be seen that this is going to operate in a very ‘at arm’s-length’ manner for the benefit of all.

I also would welcome the information referred to by my colleague, Mr Cretney, in looking at benchmarking in other jurisdictions or in other setups that really give a good example of how it might operate, whether it be a political Chair or not. I would welcome that kind of information.

945 The fact that we might have to go out to yet another consultation seems very unfortunate to me. I would have thought we have enough information before us to be able to put a good Bill together. I look forward to further dialogue and development on what we have before us today.

Thank you.

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**The President:** Mrs Sharpe.

**Mrs Sharpe:** Thank you, Mr President.

I would like to just put on record the fact that I do not approve of there being a political Chair, even though I do not think that now is the right time to address that.

955 I did give evidence to the Committee for the Public Service Broadcasting and this is a piece of evidence which I did not give at the time and has only occurred to me since. But during 2007-08 when I was working as a broadcast journalist at BBC Isle of Man, I decided to investigate the abortion laws on the Island. I received a call from a fairly senior civil servant at the Isle of Man Government telling me not to pursue this story any further and accused me of inventing news because this topic had not been in the press at the time; it was something that I was looking at personally.

960 So I just want to put that on record because other journalists on the Island have not come forward to describe similar situations, even though I know that they have occurred. I do not know whether they still occur, I suspect they do. But had I at the time made a complaint for example to the Communications Commission and it had gone all the way to the top, of course it would have ended up on the desk of the Minister for Infrastructure. So that is just one example of why we should not have a political Chair; and also how the rest of the world perceives the Isle of Man, an odd democracy.

970 These things are important and that is why this does need to be dealt with but I do not think now is necessarily the time because I think we are at the start of a very long conversation about broadcasting on the Island and what the people of the Isle of Man want. And maybe instead of just consulting on the issue of the Chair we should use this as an opportunity to have a conversation with the public on the Island and to ask, ‘What do you want from your public service broadcasting?’ And look at the whole thing.

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Thank you.

**The President:** Mr Henderson.

980 **Mr Henderson:** Gura mie eu, Eaghtyrane.

Again, I concur fully with the remarks made the Hon. Member, Mrs Sharpe that now is not the time to be looking at a political Chair – in the future, yes.

985 I would like to just clarify on the voting in the House of Keys with regard to this Bill, Eaghtyrane, and special reference to the amendment and Mrs Lord-Brennan's observation on that. I would like to put on record that she is quite right, the amendment was close but the actual overall Bill when it was finally voted upon was more or less resounding.

990 What I would like to ask further, Eaghtyrane, though, from the Attorney General – now or at a further stage when the information is available. He mentioned something regarding that regulations and current legislation allow for the chairmanship of the board to be changed now. I am just wondering if he could clarify that a little, and how easily that would be achieved should the Department so desire following this consultation that is going out now, Eaghtyrane?

**The President:** Mr Crookall.

995 **Mr Crookall:** Thank you, Mr President.

Mr Henderson has just asked the question that I was going to ask.

But can I just pick up on Mrs Sharpe and the point she made before that about literally the pipes and what goes through those pipes – telecasting and broadcasting. I think she is probably quite right and she said we are where we are, and it is probably a bit late, and that is for another day.

1000 But as Mr Henderson said he had a Bill of 153 clauses and the political Chair is just a tiny, small part. But I think it is seen as a very integral part of this and the perception of it outside, and I think if we can make provision if it is not already there for the changing of that if that is what is needed, then why shouldn't we? Why should we wait for the end of the third consultation?

Thank you.

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**The President:** Mrs Poole-Wilson.

**Mrs Poole-Wilson:** Thank you, Mr President.

1010 I just think it is also worth highlighting that the issue of governance and structure, we have heard about it from the perspective of broadcasting but I think it is also relevant to the regulation of the telecoms sector as well.

1015 Mrs Lord-Brennan asked the question: is there a summary of views so far of industry around the current chairmanship of the Commission? And there is in this document, which I accept I have not circulated to everybody but it is on the Commission's website. It is clear that this issue is not just pertinent to public sector broadcasting and with your permission, Mr President, I can highlight why people raise it in the context of telecoms regulation as well.

1020 For instance, Manx Telecom says they would prefer to see an independent Chair and commented that due to the state involvement in e-Ilan Communications Limited, the Government has a direct financial interest in telecoms regulation. You also have a view from MICTA that the Chair should represent an independent and informed view.

Now, you have Sure's response that says they recognise the issues but were reassured by the Bill's requirement that the Commission must act independently of the Council of Ministers.

And then you have SES's response in January 2018 that said:

It is highly unusual in a European market to have direct political oversight of a Communications Regulator. We very strongly urge a review of this relationship. It is against recommended good practice and could be seen by inward investors as a serious risk of political intervention in their business, and thus a disincentive to invest on the Isle of Man

1025 So it is seen, I think, from a broadcasting perspective, but it is clearly pertinent to the regulations of our telecom sector. I think there is a range of views here but I think what is also important is best practice governance in any event.

**The President:** I call on the learned Attorney to reply.

1030 **The Attorney General:** Thank you, Mr President.

Could I just start off by thanking all Members of Council for their very valuable contributions and with their permission and yours, Mr President, I would prefer to come back at the Second Reading and explain in detail some of the issues which have been raised.

1035 I said in my opening speech that this Bill is all about function not structure, and I think you have set me the challenge now of moving a little bit away from that because you certainly want, from what you are saying, to look at the structure as well as function. And the difficulty is not a difficulty I cannot face, but clearly I am here today with a policy decision which has been made simply on the basis of the Government's own national strategy, that the issue of the political Chair will be considered if this Bill completes its journey through this House and is passed, and is then implemented. So that is the course of action which the Government at the moment is on and which was explained to the House of Keys. And, as I have pointed out, the issue of the political Chair was debated there and a decision was made. But of course it is clearly for Council to make its own decision and make its own views known with reference to that.

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1045 Some of the issues which have been raised, and I turn to you, Mr Cretney: we will certainly provide you with the details that you request and to the extent that we have failed to do so before now I do give you my apology. Certainly, with reference to consultation, I will ensure that whatever further information and detail we have will be circulated to you to help inform your decision-making.

1050 The difficulty clearly is that the House of Keys have made their position well known. But of course as I have already said that does not prevent you looking at it in the same way.

1055 Mrs Sharpe, I thank you for your comments with reference to your view that perhaps the Bill ought to look, if I can summarise your view, separately at telecoms and broadcasting in that they are two very different regimes and what I will suggest to you when we come to look at the clauses stage, if we get through this First Reading, is that the Bill already sets out in its powers the ability for the Commission to look at both aspects separately; but all of the powers of the Commission, and this is the intention of the Bill, in its functional regard is to enable it to look at those sectors separately. So I am hoping that I might be able to explain to you that your concerns in that regard have been addressed and can be addressed.

1060 Turning to Mr Henderson, there is a point which I can deal with quite quickly at the moment. As I have said to you, the mechanism for amending the chairmanship of the Commission lies in secondary legislation currently. The simple answer to your question is, it could be changed immediately if that was the will of the Council of Ministers because they have the ability to, by order, change the constitution of a Statutory Board, subject to that order being approved by Tynwald. So if it was the will of the Council of Ministers, they could pick up that issue and make the change now irrespective of the passage of this Bill or whatever other comments Council may pass on when it comes to consider the clauses later on.

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1070 If you are content without that, Council, I would prefer to come back in more detail at the Second Reading stage but – a very good expression – we are where we are. I have taken away the comments which you have all very kindly made and which will add to our further consideration of the matter. And, with some hesitation or nervousness, I move the Communications Bill be read the first time.

**The President:** The motion is that the Communications Bill 2018 be read for the first time. Those in favour, say aye; against, no. The ayes have it. The ayes have it.