



**LEGISLATIVE COUNCIL  
OFFICIAL REPORT**

**RECORTYS OIKOIL  
Y CHOONCEIL SLATTYSSAGH**

**PROCEEDINGS**

**DAALTYN**

**HANSARD**

**Douglas, Tuesday, 3rd April 2012**

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**Present:**

**The President of the Council (Hon. C M Christian)**

The Lord Bishop of Sodor and Man (The Rt Rev. R M E Paterson),  
Mr R P Braidwood, Mr D M W Butt, Mr D A Callister,  
Mr E A Crowe, Mr A F Downie OBE and Mr E G Lowey  
with Mrs E M Lambden, Third Clerk.

**Business Transacted**

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*The Council adjourned at 10.43 a.m.*

## Legislative Council

*The Council met at 10.30 a.m.*

[MADAM PRESIDENT *in the Chair*]

5 **The President:** Moghrey mie, Hon. Members.

**Members:** Moghrey mie.

**The President:** The Lord Bishop will lead us in prayers.

### PRAYERS

*The Lord Bishop*

### Leave of absence granted

10 **The President:** Hon. Members, leave of absence has been given to Her Majesty's Attorney General, Mr Turner and Mr Wild.

## Order of the Day

### Gambling Duty Bill 2012 Third Reading approved

1. Mr Braidwood to move:

*That the Gambling Duty Bill 2012 be now read a third time.*

15 **The President:** We move to the Third Reading of the Gambling Duty Bill. I call on Mr Braidwood to move it, please.

**Mr Braidwood:** Thank you, Madam President.

20 During the clauses stage of this Bill, there was an observation by the Hon. Member of Council, Mr Crowe, regarding some wording; I think it might have been a grammatical error. We have been in touch with the legislative draftsman and she says the correction spotted is a routine one and will be corrected in the printed Bill. Thank you, Madam President.

25 This Bill has the intention of consolidating and updating the law relating to excise duties on gambling. The Gambling Duty Bill will amend gambling law in the Island to create a single duty of excise to replace general betting duty, online gambling duty and pool betting duty, consolidate and simplify the law and its administration and seeks to provide a more flexible structure better able to cope with future developments in the sector. The Bill repeals and replaces a number of Acts and parts of others to provide something which will be comprehensive, yet flexible and better suited to the current and future requirements of both the industry and the Treasury. The powers of the Treasury are necessary to provide for enforcement and assurance, as to the compliance of operators involved in the different types of gambling involved, are harmonised, as are the methods of enforcing duty debts.

30 The Bill also ensures that the Treasury is able to co-operate with bodies on and off the Island, when necessary, to combat fraud, corruption and to protect the good name of both the Island and its gambling industry. Developments affecting the gambling industry in the recent United  
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Kingdom budget have served to illustrate that this is an industry where things do not stand still and that it is therefore necessary to have in place a responsible, yet responsive and flexible framework for what has become a viable source of revenue, investment and employment in the Island.

40 Madam President, I beg to move Third Reading of the Gambling Duty Bill 2012.

**The President:** Do we have a seconder?

**Mr Lowey:** I beg to second, Madam President, and reserve my remarks – I was miles away!

45 **The President:** Hon. Member, Mr Downie.

**Mr Downie:** Thank you, Madam President.

I would just like to speak in support of the Bill. The Bill that is before us this morning actually repeals 10 pieces of legislation. The new Bill consolidates all that into one easy-to-understand Act, as it were, when it receives its Royal Assent. As with any fledgeling industry, which has been developed over a short number of years, you always finish up with legislation that has been developed on an *ad hoc* basis and what we see now in the new Gambling Duty Bill, it consolidates all of those smaller pieces of legislation, puts them into a much easier form for people within the industry and those who are paying gambling dues and duties to understand and I think it is welcomed by the industry. I am fully in support of what is enshrined therein.

55 Thank you.

**The President:** Hon. Member, Mr Callister.

60 **Mr Callister:** Thank you, Madam President.

I was thinking back to so many Members in the past, who would have been absolutely appalled to find a Bill like this in front of them, but that is probably 30 or 40 years ago, since such Members were present. We do have to regulate gambling and I think probably this Bill may not have been here, if we had not had the so-called information superhighway, the internet, the worldwide web, I think that is probably the primary reason. I sometimes call it the demon from the skies! (*Laughter*) Nevertheless it will have my support.

65 There is one little point that I would like to raise that I meant to ask before – I do not see it in the Bill – but in the explanatory notes at the bottom, it says:

70 ‘... to combat unlawful activity connected with gambling, including corrupt practices in sport.’

Whether sport is gambling, I do not know, but anyway, I just wondered if the mover had any view on why that is in the explanatory notes.

75 **The President:** Does any other Member wish to speak? Mr Crowe.

**Mr Crowe:** Thank you, Madam President.

I speak in support of the Bill. As the hon. mover has said, it is to regulate the industry in a proper way and to reduce administration for the companies and the Government, to continue with a well-regulated industry and giving a valuable source of income to the Treasury.

80 Just for the record, the contribution to the GNP of the Island is about 9% from the gambling sector, the gaming sector, so I think it is part of the diverse nature of the industries we have in the Island. As history has shown, some industries grow and others decline and as long as we have a well-balanced economy, always looking for new initiatives in promoting the Isle of Man, to make sure that we do it in a way that the Island benefits and the people find suitable employment...

85 **The President:** Lord Bishop.

**The Lord Bishop:** Madam President, concurring with what Mr Callister just said, I suppose I simply want to register the fact that I think we have come to a sad day, when we depend so heavily on such a form of income, because I think it is an extremely dangerous practice to encourage. But I am glad that the Island regulates it so well and I suppose I come down to the conclusion in the end that, if we have got to have it, then we might as well tax it. Therefore I will support it, but with a heavy heart.

95 **The President:** The Hon. Member, Mr Lowey.

100 **Mr Lowey:** In response to the Lord Bishop and Mr Callister, he is absolutely right, of course. This and Sunday opening used to preoccupy Tynwald a lot. Our problem with gambling goes back to the very first casino and it was because we did not have regulation that we got ourselves into trouble. I think we learned a salutary lesson, the Isle of Man did then. I think this particular area now... and Mr Callister is right, when he says it is the advent of technology that makes gambling worldwide attractive to the Isle of Man, in the sense that it is an industry that has to be well regulated.

105 I think, listening to the industry, knowing where they want to have their... to operate in a jurisdiction that is well regulated, not just for the industry, but most importantly for the punters and the people who partake. It is like most vices, it is the excess of everything that is wrong, I would suggest. Having said that, I believe that the Isle of Man needs to have a well-regulated industry and I think we are acknowledged as world leaders. Other jurisdictions look to us, having set the benchmark, and they are now permitting gambling as long as the standards are the gold standard i.e. the Isle of Man.

110 So the Bill is worth supporting. I am glad it has had an uninterrupted run through the legislature.

115 **The President:** The Hon. Member, Mr Butt.

**Mr Butt:** Thank you, Madam President.

120 Just to also support the Bill and comment about the morality of gambling, I think, fortunately in a way, the gaming industry on the Isle of Man does not actually affect the local population too much. There are not any endemic problems that I am aware of in the Isle of Man. It perhaps happens unseen in countries all around the world, where it takes place anyway. The fact that we have a well-regulated industry is good for us and good for our population in lots of ways.

125 Just as an aside, I would just say it is quite sad, for me, to see the repeals of some Acts – of 1961 and 1965 etc, Acts which I grew up with – and watching them disappear from the statute book is quite... It makes you realise how old you are.

Thank you, Madam President.

**The President:** Mover to reply, please.

130 **Mr Braidwood:** Thank you, Madam President.

I thank Hon. Members, who have all supported the Bill, but with a few reservations on the morality and also with... Yes, in some of the gaming industries we see that today, where there has been sponsorship as well.

135 In answer to one of the queries by the Hon. Member of Council, Mr Callister, on corrupt practices in sport, this can be quite easily illustrated by some of the cricketers in Pakistan, who... In actual fact, people gamble on how many no-balls there are in an over, or when the no-ball will be and what time will they have the no-ball, and I think this again points out where that was identified because of the number of people who had bet and was picked up by the gaming industry, and the consequences we can see already with the jailing of the perpetrators of the Pakistan cricket team. We have also seen it in football as well, where people will gamble on who scores a goal or who does not score a goal.

140 So, as we can see, a lot of the industry is well regulated. Particularly, the Isle of Man is well regulated, as Mr Lowey said. Other jurisdictions look to the Isle of Man, because we were one of the first jurisdictions to go into such as e-gaming and of course the regulations have been in place and we are on the white list.

145 So with that, Madam President, I beg to move.

**The President:** The motion before Council is that this Bill do pass. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.

150 That concludes our business for this morning. We move towards our Easter recess, so I wish Hon. Members some respite from their work. The Lord Bishop no doubt will be very busy in his other capacity! *(Laughter and interjections)* Council will now adjourn to the sitting of Tynwald Court on 17th April.

Thank you, Hon. Members.

155 *The Council adjourned at 10.43 a.m.*