

**REPORT OF PROCEEDINGS OF
TYNWALD COURT**

**Douglas, Wednesday, 20th May 1998
at 10.30 a.m.**

Present:

The President of Tynwald (the Hon Sir Charles Kerruish OBE LLD (hc) CP). In the Council: the Attorney-General (Mr W J H Corlett), Hon C M Christian, Messrs E A Crowe, J R Kniveton, E G Lowey, Hon E J Mann, Messrs J N Radcliffe and G H Waft, with Mr T A Bawden, Clerk of the Council.

In the Keys: The Speaker (the Hon N Q Cringle) (Rushen); Mr L I Singer and Hon A R Bell (Ramsey); Hon R E Quine OBE (Ayre); Mr J D Q Cannan (Michael); Hon H Hannan (Peel); Mr W A Gilbey (Glenfaba); Mr S C Rodan (Garff); Hon R K Corkill (Onchan); Mr J R Houghton (Douglas North); Hon D C Cretney and Mr A C Duggan (Douglas South); Mr R P Braidwood and Mrs B J Cannell (Douglas East); Messrs J P Shimmin and A F Downie (Douglas West); Hon J A Brown (Castletown); Hon D J Gelling (Malew and Santon); Mrs P M Crowe (Rushen); with Prof T StJ N Bates, Clerk of Tynwald.

The Clerk of the Legislative Council took the prayers.

**Supplementary Order Paper - Standing Orders Suspended -
Statement By The Minister For Agriculture, Fisheries And Forestry**

The President: Hon. members, turning to the business of the day, with your agreement, I would like to dispose of the supplementary order paper at the outset of our deliberations, and if that is agreed I will call upon the hon. member for Peel, the Minister for Agriculture, Fisheries and Forestry to move the suspension of standing orders.

Members: Agreed.

The President: Thank you.

Mrs Hannan: Eaghtyrane, I beg to move:

*That under Standing Order 2.2(6) the following business be considered -
BSE headage support arrangements.*

At the March sitting of this hon. Court I made a statement in which I advised hon. members of the current situation within the beef sector of the fatstock industry. As a result of the ongoing effects of the BSE crisis I also advised that my department was considering the report of the working group of farmers' representatives which I had appointed to consider the way forward for the beef industry and that in the intervening period my department intended to roll over the £50 per head support payment made on finished animals through the meat plant through the months of April and May, and this we have done. My department has now had an opportunity to study the working group's report in the light of developing market circumstances and to discuss the same with Treasury.

As a result of these deliberations my department wishes to continue the support payments to the fatstock industry, very much in line with the principal recommendations of the working group of farmers' representatives. This entails the making of an additional payment of

£75 per head on the finished animal going through the meat plant and also an additional £75 each suckler cow at the other end of the production chain. In the light of market circumstances, which are characterised by further declines in producer prices for beef, my department believes that such payments are justified.

Subject to the acceptance of this proposal by the hon. Court, the £75 headage payment will be phased in over a period starting from 1st June. In this way it should not cause marketing difficulties for the Fatstock Marketing Association with producers holding on to stock, anticipating higher payments.

The support will be a maximum payment based on market prices and provide for a reduction in rate if producer returns do increase. Provision will, however, be made in the department's 1999-2000 estimates for a continuation of such support.

It is intended to pay the £75 additional support to the suckler cows separately from the main scheme and be available in December at the end of the current qualifying period. In view of the impact low prices are having on the industry, the department proposes to make an immediate payment to suckler cow producers of 50 per cent of the available subsidy, with the balance being paid at the end of the qualifying period.

The proposals have resource implications for my department. On an estimated basis the total cost will be £817,285, of which £182,285 is over and above that available in my department's budget. Following discussions with Treasury that body has indicated support for my department to come back to this hon. Court later in the financial year for a supplementary vote should this prove necessary.

In spite of the generally depressing market picture, there is cause for hope of improvement in the European Union, in that the European Union finally appears to be close to approving a scheme which will permit the resumption of exports in carefully controlled circumstances from Northern Ireland. This would hopefully have some effect in reducing pressure on the United Kingdom market, which will hopefully reflect to the advantage of the fatstock sector in the Isle of Man. Also, the United Kingdom is continuing to negotiate, with the European Union, other schemes whereby the export ban on the United Kingdom itself might be removed.

The question of poor returns and difficult marketing circumstances is of course not solely an Island one but the effects are potentially crippling for the agricultural industry if government does not continue to inject support. Thank you, Eaghtyrane.

The President: Hon. members, I will put the resolution that items 1 and 2 on the supplementary order paper be agreed. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Apologies For Absence

The President: Turning to the main order paper, hon. members, we come to item 6 and, before we do so, I would just like to make it clear that the hon. Sir Miles Walker and the hon. Mr Peter Karran of Onchan both have leave of absence this day.

**Douglas Harbour - Construction Of Bridge And Water Retention Structure - Expenditure
Approved**

The President: Item 6, the Minister for Transport.

Mr Brown: Thank you, Mr President. I beg to move:

That Tynwald authorises the Department of Transport to undertake works for the construction of a harbour bridge and water retention structure at Douglas inner harbour for a sum not exceeding £3,186,500.

The construction of the proposed new road bridge and water impounding structure on the site of the present pedestrian swing bridge will bring about the potential for substantial improvements to this area of lower Douglas. However, initially it will bring two direct benefits to Douglas and the Island - that is, it will provide a much improved direct access for vehicles travelling to and from the south, especially for freight vehicles, thus relieving pressure on the North Quay, Peel Road and Quarterbridge area, and it will provide a safe haven which will enable boats to stay afloat.

In conjunction with this scheme, the department is progressing highway improvement schemes to improve traffic flows from Road Island, through the Kewaigue bridge area and along to and including Leigh Terrace. We also propose to improve the South Quay highway to provide a carriageway of a minimum width of 7.3 metres, along with a 1.8 metre wide footpath on the river side. I can confirm that there will be two loading bays provided in an endeavour to meet the needs of the businesses on South Quay.

These schemes are at different stages of progress, with the Leigh Terrace and South Quay improvements being the schemes to be advanced first. The funding has already been identified within the department's budget.

With reference to the development of the new bridge, the northern half has been designed as a lifting bridge with overhead counterweights to allow vessels access to the inner harbour. The counterweight support towers also act as hydraulic and electrical plant rooms. Below the lifting half of the bridge we are taking the opportunity to incorporate, within the foundations of the bridge, a movable flap gate. This will enable water to be retained within the inner harbour. To assist us to maximise the potential of the harbour, the department proposes, within the revenue budget, to provide pontoons.

This scheme will, we believe, bring about a major enhancement of this area of Douglas and will hopefully encourage private investment and improved opportunities. The department believes that this development, along with the proposed Ramsey harbour redevelopment and the proposals for the Port St Mary marina, will complement each other and bring substantial benefits to each area and the Island, especially with regard to encourage visiting boats.

The southern half of the bridge will consist of a fixed structure supported by a slim central pier, a fixed sill and stilling basin beneath the bridge. A fish pass has also been incorporated into the structure after consultation with the Department of Agriculture, Fisheries and Forestry and the provision of a standard Denil type fish pass will enable fish to pass upstream at low water periods.

It is the department's intention that the new bridge will not normally be raised during peak vehicle times. When the bridge is being raised there will be advanced warning signs at Leigh Terrace and Bath Place to advise motorists that the bridge is to be raised, or that it has been raised, and that an alternative route is available. The complete cycle to lift and lower the

bridge will be approximately five minutes although, of course, with the passage of boats that will be exceeded.

The construction of the new bridge and water retention scheme is programmed for completion by September 1999, with it coming into operation in December 1999 following the completion of the highway ancillary works in the area.

Finally, Mr President, this scheme provides an opportunity to considerably enhance this area of Douglas. It will help to address the traffic congestion within the town of Douglas and ease traffic flows. It will relieve the traffic pressure on Peel Road/Quarterbridge area and provide another safe haven for small boats and yachts. I beg to move the motion standing in my name.

Mr Singer: Mr President, I beg to second this motion standing in the hon. minister's name. The proposals by the Department of Transport to construct a new road bridge and water retaining structure at the entrance of Douglas inner harbour is the commencement of a programme of highway improvements which are required if we are to provide the type of highway infrastructure which is needed to cope with the increased prosperity and population of the Island.

Whilst I advocate a truly integrated transport system and promote the wider use of all methods of public transport and car sharing, the development of these systems relies on the provision of good and reliable road and rail networks. The proposals for this new bridge and consequential road improvements will provide a more direct route to the port facilities and town centre and the promenade via the South Quay and, together with the department's future programme of inner link improvements, this will create improved access to Douglas from the airport and the south.

The department's long-term highway programme also incorporates proposals for Parade Street which are being drawn up in consultation with the adjacent landowners and which will permit additional phased improvements to be made in the future. This area of Douglas will see many changes in the coming years and the highway provision will be an essential element to the regeneration of this important part of the town. This project, therefore, is an important part in the development of the Douglas transport strategy and has been carefully designed to fit in with the environment of the harbour. So I do hope that hon. members will give their support to this major scheme. Mr President, I have pleasure to second the motion.

Mr Cretney: Mr President, the hon. Minister of the Department of Transport is aware that during the planning process for this particular application I did, on behalf of those I represent, take the opportunity to make representation because my concerns are those that the old road from the south is at present under a great deal of pressure, and this can be witnessed from walls collapsing, from the difficulties which have been encountered for a considerable time for residents in the Leigh Terrace area, and that goes back a long time, and whilst measures have been taken to try and improve that situation it still leaves a lot to be desired. Now, the point I made to the planning process was that I felt that we had things out of kilter here and that highway improvements in particular should proceed the development of any road bridge, because I do believe that there are major works which are required to bring the highway up to an acceptable standard to accept any more traffic, and the implications in terms of residents, particularly those in Leigh Terrace where already there are a number of people who have

difficulty crossing the road because of the speed and amount of traffic, are going to have to taken into account also. Now, I know for a long time the Department of Transport has had plans to perhaps extend over the river a little bit and to try and make parking provision there but, to the best of my knowledge - and I hear what the hon. member has said in terms of his presentation this morning - until we have had our package of information about this, nothing had been finally determined.

So I do reiterate my concerns that, whilst I understand that the road bridge and the North Quay with water in it is in a very attractive environment, I have concerns for those people who will feel the impact of extra traffic, and that is why I did make representation at the planning proceedings and the hon. minister, I know, is aware of that. I would be grateful if he could perhaps go into a little more detail on his proposals when he replies.

Mr Duggan: Mr President, on the same theme as my colleague for South Douglas, I spoke to the minister early this morning about my concerns too, on behalf of my constituents. The road around the Nunnery, as Mr Cretney has said, is in a crumbling state; the roads are not in good condition there. People in Leigh Terrace are very concerned and also the minister did say this morning that . . . He talked about freight vehicles; what you have got to think of, hon. members, also is there is a possibility that there might be an incinerator at the bottom of Richmond Hill and there would be extra traffic there generated again. So you are going to have an awful lot of traffic actually going along the Old Castletown Road, and what I am saying is, really, is this really a priority, I ask the minister? And when you look at another £3 million, the people outside wonder where all the money is going to come from. You are talking about incinerators, IRIS, a new hospital. I look at the Treasury minister and think - say that the finance sector does falter, where would this money come from for all these schemes?

Mr Waft: Mr President, I was a bit concerned at the last two Douglas members, the way that they spoke about the scheme. I do not think they should look a gift horse in the mouth. I think this is a marvellous opportunity for Douglas, really, and I rise to fully support the harbour bridge and the water retention scheme as outlined in the proposal.

A water retention scheme within the Douglas harbour will open up and revitalise the whole of the South and the North Quay. The spin-off will have a major significant impact on the tourist industry. It subsequently follows that a scheme such as this will make a significant rise in the property prices in the surrounding area -

Mr Downie: The harbour owns them all.

Mr Waft: It will become a highly desirable place to live. It will do, at a stroke, what this government has been trying to do for years - the need for gentrification, or putting more residents back into the town of Douglas. If this scheme is marketed correctly it can fundamentally affect the yachting fraternity, who are constantly looking for new holiday destinations which are sympathetic to the needs of the yachtsmen and subsequently their families. Good quality residential homes will be required in the surrounding area and the demand will be high for the Department of Local Government and the Environment to be building in that area with regard to the private sector and their own local government housing schemes. I am sure it has not gone unnoticed there is still a question over the use of the land at Lake Road now that Tescos are perhaps having second thoughts over their plans for the site.

However, there is a need to provide high quality berths, not just pontoons within the scheme, to take the maximum advantage of the marina situation. The quality of the berths should be gone into in considerable detail.

I do feel that whilst thinking about this scheme we should not lose sight of the possibility which was mentioned of horse trams travelling along the North Quay. Has that now been kicked into touch or are we to see that in the long-term future, perhaps?

I would highly recommend this scheme to hon. members and commend the department for expediting a scheme which has been under consideration for many years. The harbour bridge is also a worthwhile scheme which would open up a new route into the centre of Douglas.

There are inherent dangers in this scheme, however, the main one especially the waiting at the bridge to be raised and lowered. However if the drivers can actually see what is happening, as in other areas in the UK and beyond, they are less likely to complain or develop road rage. In this I would agree with the hon. member for Peel, who has said previously that we do not have a particularly bad traffic problem, but all things are relevant to the Isle of Man situation. You would find that motorists would quite happily wait for half an hour in the UK but would complain bitterly if they had to wait more than five minutes on the Island. However, I am assured we will not have to wait long for the bridge to be raised and lowered; five minutes has been mentioned. We will have to wait and see.

The benefits of this bridge will have to be seen to be believed, but I am prepared to support it and let the department carry on with the scheme. Thank you, Mr President.

Mr Downie: Mr President, hon. members, I do not want to stand up here today and knock the scheme because I think, in the right sort of situation and linked to a proper integrated Douglas traffic management strategy, the bridge would probably work. What gives me cause for concern today is there are so many other questions which the bridge opens up which, at the moment, remain unanswered.

Now, previous speakers have mentioned the situation regarding traffic management when the bridge is open. We know now we cannot get along the promenade and we have got at least three avenues open to us when we get to that part of town. Now, if the North Quay is pedestrianised and the southbound traffic has to go over this bridge, I think there are going to be horrendous problems down there. The previous speaker said what a lovely place to live. Do you want to live on the busiest road in the Isle of Man, with all the heavy vehicles trundling up and down the quayside along the river? I do not, and that is why the entrepreneur who has been buying up the property and redeveloped in the area has difficulty in selling his property now, because there is too much activity at the moment in that area.

Just to go back a couple of years, when somebody from the private sector wanted to do this and fill the harbour with water, the same government department, then led by the former minister Mr Callin, said no, this would be impossible, there would be a water ingress problem into the adjoining properties, and I know that in my time in Douglas Council, on certain days when the spring tides were in, there was water penetration into the cellar of Douglas Town Hall. That was accepted by everybody living in the area, across the road in Colebourn's; part of that area, actually, is below the water table when there are certain high tides. So I want to know what investigation has been done and whether this filling of the harbour on a permanent

basis will have an effect on the adjoining properties and why could the department not agree to the private developer bringing forward a scheme and using that as an argument and now here we are, a few years down the road, everything is all right.

I would also like to know what is going to happen with IRIS? Are we going to put the pipes in? Are we going to do all this work as the bridge is being built, and have the infrastructure under the ground and know, if it goes ahead, we will not be digging everything up again? I think that is an issue that has to run in tandem with any work that takes place down in that area.

I welcome the department's indication, or commitment, to construct a fish pass. The Douglas River has migratory fish in it, migratory salmon, and obviously if a fish pass was not included it would affect the infrastructure further up the river.

Also, I think there are so many things happening at the moment that the building of this bridge, I think, is premature. We still have to see what is going to happen at the bus station site in Lord Street. We have had, as you know, an application from a private developer which may or may not come to fruition. Government itself and the Corporation are still keen on progressing a scheme in that area and I think that all these things have to be looked at. Reference was made to Quiggin's Yard, and in my opinion it would make much more sense to put a bridge from Quiggin's Yard across and alleviate the traffic problems on Leigh Terrace, because once you start to put all these big vehicles up Leigh Terrace you are going to have a major problem. All that road will have to be underpinned. We would have to come out into the riverbank there to widen it anyway, so what starts with a bridge, in five or six years' time could well cost us millions and millions of pounds in ongoing schemes which we have not even got in front of us at the moment. We have not got a masterplan yet and I think that is part of the problem.

The hon. member for South Douglas, Mr Duggan, he made reference to Kewaigue and incineration and a few other issues. Now, if we are going to re-route the heavy vehicles, one thing we are going to have to do, hon. members, is raise the height at Kewaigue Bridge, because at the moment large vehicles cannot go under that bridge. It is a problem. They have to divert round it. So included in this scheme at some stage there will either have to be a raising of the height of the bridge or another arch to the bridge located alongside that the larger vehicles can use - more cost.

I think that the scheme that is being sold to us today would improve the environment in the area, the water retention - a nice place to be with the boats and so on and so forth. I accept that, but at the same time - I see where the department is coming from - my own mind tells me that we should be holding back, really, and we should be trying to look at the overall picture, and the bridge should perhaps come when the traffic infrastructure has been improved in some other way. The bridge is not going to be the panacea. All the bridge is going to do, in my opinion, is add to the problems in that area. It is not going to make things any better, it is going to actually make things a lot worse until all these other issues are dealt with.

I will reserve my judgement on this till a few other members have spoken. I am tempted to vote for it but at the same time I think that, as they said in the film, it is a bridge too far at the moment. *(Laughter)*

Mr Shimmin: Mr President, the member for Douglas - £3 million, gift horse - thank you very much, that will do nicely! All of the other regional members have tried fighting for their corners and here we have a scheme which has already been misunderstood by one of the previous speakers, the member of the Council, Mr Waft, as if this was a water retention scheme. This is a transport scheme. It has a beneficial spin-off in that it would have a water retention facility but, having attended the briefing last week, it is quite clear that that is a beneficial spin-off. It would make sense to do that at the same time as putting the bridge in as part of the transport system, and it makes it look much better. We had the situation where I spent a long time talking with the chief executive of the department, the director of engineering and highways in the department and the minister of the department. They know where I am coming from.

The whole issue within the Department of Transport is a difficult one. We understand that; we see it most days, but I agree with Mr Waft and I agree with the minister from Peel, Mrs Hannan, when she talks about 'There is not a bad traffic problem in Douglas'. We have gone through, in the last six to nine months, some of the most horrendous road works in the main feeder routes into Douglas that we are ever likely to experience and I for one, as a Douglas member, hoped it would cause a log jam. I hoped that we would have gridlock in Douglas and we could then turn round to the planners and say, 'This is the future'. If you do not deal with the proper transport system for the whole of the Island leading into and from Douglas, this will be the future for all of us. And did it happen? Of course it did not. People managed to find alternative routes and, yes, in rush-hours it was difficult, it took a little bit longer, but the Department of Transport strategy - they are tasked, understandably, to deal with moving traffic. So they are attempting to facilitate moving traffic and they have come up on a scheme which was put forward many years ago, that this would be a mechanism of solving some of the problems because we all know there is limited access into the Douglas region and the bulk of the people need to come and work or shop in the centre of Douglas. I am in Douglas.

I understand the pressures upon those of you who represent constituencies out of town when your constituents concern themselves with traffic problems and parking problems getting into work in Douglas. I appreciate it, because all of those same people travel through our residential areas to get to where they are going. So I want a system which is going to deter rather than encourage vehicles coming into the centre of Douglas. This scheme will not. This scheme will facilitate and encourage a greater expectation of being able to drive your car from your home straight into the centre of town, and that will be fine for those people moving into it. Where do they go then? We have already had a talk by a member for South Douglas and West Douglas - where do they go to? We know the problems down there at the moment, so we have greater pressure for a multistorey car park on the Lord Street site, or we have some facility where there is a greater expectation, you can get us into the middle, where do we park?

Now, as unpopular as it is, both in this chamber and publicly, I do not want to see multi-storey car parks in the centre of Douglas. I do not want to see the cars in the centre of Douglas; I want to find a more imaginative and far-sighted mechanism where we can discourage people from coming in, parking their vehicles all day and driving home again. We know it is difficult. We know most members in this chamber have driven here to work this morning in their one car, with one person in it, and yesterday during an interval some of us sat outside and watched exactly the same happen, as people left Douglas at 5 o'clock yesterday,

the number of vehicles with just one person in it. But we have a growing level from the division for transport trying to facilitate people moving into and out of this area via public transport. The cost and the difficulty of getting parking permits round the Douglas area some people are realising. The disc zone was intended to try and protect residential areas instead of having all-day workers in Douglas parking around the residential streets, and it has worked, it has discouraged many people.

This is going in the opposite direction, members. Here we are talking about a scheme which is sold on two fronts: one, it is a transport strategy facilitating greater convenience getting into Douglas - £3.1 million. How often have we heard the other associated costs? Once we have got this bridge there is an almost compelling argument to carry out all the other works associated which would then be necessitated by having the bridge and getting access to that bridge, and previous speakers have covered that better than I. We have a water retention scheme which, personally, I would be delighted with, but as a representative not just of Douglas but of this Island, I think the arguments have been well put and overwhelmingly successful in saying that some of the other areas where we are looking for regeneration would be far better served by having this sort of injection to facilitate their schemes than to concentrate once again even more development in Douglas, attracting more for Douglas, and that is as a Douglas member. We represent the Island. Douglas is already bulging, Douglas has already benefited from a great deal of expansion in recent years and if we delay on this bridge for 12 months or two years, is the infrastructure of Douglas and all the businesses in Douglas going to fall apart? I do not think so.

The members of the Department of Transport have attempted to portray at the meeting last week that without regeneration in this area, there will be an exodus from Douglas, that that area will go into decline. I am sorry, there is so much attraction already that people from out of town are losing their businesses coming into Douglas on a monthly basis. This scheme is the icing on the cake. It will be very nice, thank you very much. It is premature, at this stage it is unnecessary, and the Department of Transport need to be sent back, find a better integrated system which is not going to merely facilitate cars coming into Douglas but is actively going to discourage them from coming into the centre of town. I do not reserve my rights on this one; I will oppose it. I think it is a nonsense and I think it is premature.

Mrs Crowe: Mr President, I ask the minister, what is this scheme all about? I totally agree with all the comments made by my hon. colleague, Mr Shimmin. I fail to see how this scheme will be of any benefit to Douglas. Is it really envisaged that the traffic congestion will be relieved by diverting traffic along Leigh Terrace, along to the new swing bridge, over the swing-bridge to join the roundabout to add to the congestion at the first roundabout in Douglas? I think not. I come into Douglas every day along the Leigh Terrace route. As comments have been made, we need to rid Douglas of cars, not encourage them further into the centre. This scheme will not relieve any traffic congestion in that area; it will just add to the traffic congestion further into the centre of Douglas. Or is this scheme to attract yachtsmen? Is this not mentioned as a marina but a water retention scheme to attract yachtsmen? Because I can tell you, minister, yachtsmen do not want to be vying and dicing with death from fast SeaCat ferries, fisheries protection vessels -

A Member: That is not that busy.

Mrs Crowe: - whatever, they are in and out of the harbour. The yachts will have to come past the boats, dicing with death in a working harbour.

A Member: Oh, dear God!

Another Member: Rubbish! (*Other interjections*)

Mrs Crowe: Yachtsmen want a peaceful, 24-hour access, yachting marina. What I would ask the minister is, would he readdress his departmental priorities and look to providing the Island with a tourist attraction that will benefit the whole Island, utilise the money from this scheme to finally progress a yachting marina where it should be, in the south of the Island (**Mr Cannan:** At Ramsey.) at Port St Mary. Thank you.

Mr Gilbey: Mr President, I certainly, I am afraid, cannot agree with ideas of driving cars out of Douglas. Also I think, if you look at it practically, Douglas is by international standards a very small town and it is never going to pay to have public transport systems whereby cars can be left outside. I am sure that any costing would show that is not viable. But I am concerned about the points raised by the hon. member for West Douglas, Mr Downie, in which he suggests that if we go ahead with this scheme we are, in fact, being forced to sign a cheque for a very much larger amount for work on Leigh Terrace. I often use Leigh Terrace and the road past the Nunnery, and certainly I can see that if there was a big increase in traffic something would have to be done. Also, what are we going to do about the railway bridge? I mean, it can only take a certain size of vehicle through there. So I think that one needs a full explanation as to what hidden future costs might arise and, until I have heard that, I certainly shall not decide whether to vote for or against this.

There is a further point which I hope the hon. minister will be kind enough to answer, and that is his colleague in the department, Mr Singer, who does a very good job for roads (**Members:** Hear, hear.) said that he hoped to improve the road and rail networks. Now the rail networks, as I understand it, come under the Department of Tourism and Leisure and the horse trams come under the Corporation. Now, I do know that in the past there have been suggestions which seem very sensible of linking the two mechanical rail systems, the electric and steam railways, by bringing the horse trams down the North Quay, and I would be grateful if the minister would say if that is what his colleague was referring to. Is there a plan to do this? If so, could we learn more about it? If not, what else was he referring to when he said 'improving the road and rail networks'?

Mrs Cannell: Mr President, I have to concur with most of the comments made by my hon. colleague for West Douglas, Mr Shimmin, when he ridiculed the lack of the integrated transport policy of the department. To my mind, the department has not put together a policy yet but has merely put together a series of emergency measures to react to a situation as and when it arises.

I can see the merits in this scheme and I welcome the idea of a lesser impact in terms of traffic congestion on the likes of Peel Road, but I would ask him in his reply whether or not Coronation Terrace, Lord Street, will also enjoy the comfort of less traffic impounded on the road, because that particular area which is populated, is part of the East Douglas constituency, has just about had enough of heavy traffic and congestion for a very, very long time. Of course, in addition, all of this traffic contributes to a lot of air pollution, a lot of dirt, a lot

of muck around the town onto people's premises, onto the retail sector shops and all of that, so if it is going to lessen that, then that part of the scheme I welcome.

But, of course, hon. members have spoken about the lack of car parking provision. What will happen when the vehicles cross the bridge and come into the town, and of course that is a very real issue. Where do they go? Are we not just moving one congestion spot to another? I am a little concerned about that and I wonder whether the minister is aware that the UK are looking at all of this now? They are looking, for instance, with regard to car parking, at banning long-stay car parking provision within towns and villages and turning the use of those car parks over to just short-stay in order to facilitate the retail sector, and whether or not he has considered any of that within this programme. I wonder also whether or not the hon. minister has considered what kind of effect this scheme has on the Isle of Man strategic plan and whether or not it is featured within that.

But hon. members, we do need a proper integrated transport policy and a system put into place, and I welcome the comments by the hon. member for Ramsey, Mr Singer, when he said that it is his belief that that is what we should be pursuing. I am a little alarmed, unless I am picking it up wrong, that perhaps it is not shared by his minister.

Finally, I would just make one more comment, that the proposals are scheduled to start in July of this year and run for over 12 months' time. Now, again it has been mentioned that we have had all sorts of major works done on roads in Douglas in the last 12 months, more than I think we care to see at any one time in the future and in East Douglas at the moment, of course, we have a major scheme which has been running for a long time. As a consequence, businesses are suffering, as businesses in Peel Road suffered. I am very fearful that people can go out of business whilst these schemes are going on. What I would ask him is, has he considered what the impact will be on Douglas for the summer when we have people coming over, with it starting in July and whether or not he has considered that a later might be more appropriate, when perhaps we do not have as many visitors coming to our shores? I do know that we have the promenade with a proliferation of heavy plant and machinery which has been undergoing some rather major works following the IRIS project; we have Broadway; we have Peel Road; we have all sorts of other numbers of works going on all at the same time. I am not criticising the investment that the department wishes to put in Douglas, I welcome that with open arms; I am merely asking whether or not the programme, the schedule of works has been considered in terms of the impact that it has when it takes place all at one time. I was in conversation with some of our very rare tourists last evening who expressed also alarm to me that, wherever they walk, they seem to come across roadworks and major improvements, which again I say I welcome, but I just wonder if perhaps it should be phased a little bit more appropriately in terms of lessening the overall impact.

I will be supporting the motion because I think the end result will be one that will benefit Douglas and I am not going to stand up here and vote against something that is going to benefit my constituency.

Mr Braidwood: Mr President, if this was a water retention scheme, I would have no problem at all in supporting it, but I do have my reservations with the bridge. I know it is part of the transport strategy of the Department of Transport and it makes sense to do both together to save costs.

Now, reservations have been expressed by other speakers of Leigh Terrace and also South Quay. My reservation about the South Quay is the amount of traffic going along where we have to purchase some of the properties along there or where we put a pedestrian walkway over the harbour.

It was also mentioned that there was concern about the incinerator being built at the bottom of Richmond and the large vehicles coming under the bridge at Kewaigue, but I know the Department of Transport will rectify that. They will have designated routes which will miss that area out, so I have no problems on that.

It was also mentioned by Mrs Crowe, the member for Rushen, why yachtsmen will not come to Douglas if there is a water retention scheme, because of the amount of traffic coming in, the large boats, whatever. To me that is absolute nonsense, because if we look at Guernsey and Jersey in the Channel Islands, they have a lot more transport and they do not have yacht marinas, they are all water retention schemes in those areas.

The enhancement to Douglas will be wonderful with the water retention scheme, to see the boats bobbing in the water all the time instead of lying on the mud when the tide goes out, and it will enhance the whole area.

One problem - the Department of Transport have probably looked into it - is the silt traps which are under the bridge. How would they be cleaned out? My concern is with the river coming down and the silt building up; normally it goes out into the harbour and out to sea with the flow and the tide. So there is a concern, with the water retention and with the sill, that there might be a built up of silt. So I hope that the silt traps will be able to be cleaned out.

There is talk as well of the amount of traffic and about taking the bridge into Quiggins's Yard, but I cannot go along with that, because again it is bringing the traffic onto the North Quay and back onto Lord Street, as is mentioned, Coronation Terrace - that to me is not feasible.

So then we have to look at the bridge. Unfortunately I was not able to go to the presentation. Now, the hon. member for West Douglas, Mr Shimmin, has expressed concern with bringing the traffic along and into Douglas and there is nowhere to go. I think we should have had a car park in Shaw's Brow (*Interjections*) which should have been built, except that Douglas Corporation have dragged their feet definitely about that. So we are looking at the overall scheme, and I know there are people who are against bringing the traffic in, one person sharing one car, we can say that, right, we could have pool lanes - they are bringing pool lanes in across where you have to share vehicles - coming into Douglas.

But let us go back to the proposal to authorise £3,186,500 for the harbour bridge and water retention scheme. I am not undecided; I am going to listen to, hopefully the rest of the debate -

Mr Downie: Do you want to borrow a penny?

Mr Braidwood: No, I am not going to toss a coin, either! (*Laughter*)

Mr Brown: It is in Douglas!

Mr Braidwood: It is in Douglas, I know it is in Douglas and I think it will enhance Douglas and, as far as I am concerned, with the water retention scheme, to take the traffic off the Peel

Road I will support the Department of Transport and the minister when he moves this motion. Again, the reservations are the bridge and the problems along the Leigh Terrace to South Quay with part of the transport strategy.

The other red herrings that have been brought up I cannot go along with - the large vehicles - and, as far as I am concerned, I think this will enhance Douglas with the water retention. Then we will have the Ramsey, which is a marina, because it has got a housing development, and then eventually we can go on to Port St Mary and have the yacht haven, which will have 24-hour access. (*Interjections*)

Mr Corkill: Mr President, I am sure that my hon. colleague the Minister for Transport will have taken careful note of the reluctance that some Douglas members are showing with regard to investment in their town, and perhaps when reviewing his allocation of resources within his department for the future, he may well take some of the comments into account. I certainly would if I was Minister for Transport (*Interjections*), because there is a perception in the Isle of Man, I think, put abroad by members for Douglas that in fact the only traffic problems that there are on the Isle of Man are in Douglas. As a member for Onchan, I would welcome over £3 million worth of investment to sort out the traffic problems in Onchan.

Mr Kniveton: Onchan harbour.

Mr Corkill: There are congested areas outside of Douglas.

Now, I can understand where the hon. member for Douglas West, Mr Shimmin, is coming from. He has a view on the environmental impact of motor cars in towns. I have a different view in as much as, in the scale of things in the Isle of Man, I do not believe that the motor car is going to go away from our town centres (**Members:** Hear, hear.); whether it is petrol, diesel or the electric car of the future, I think personal transport of vehicles is going to be with us for some time, and we have to manage that situation and I think that this option of a bridge actually gives the Department of Transport more options to deal with the issue for the future than are present at the moment. Coupled with that, we have the ability to create a nice environment in the harbour where at long last some of the boats that never float will actually be covered over forever.

Mr Houghton: Absolutely - sunk!

Mr Corkill: So I think the department is to be congratulated that they have actually, through the strategy, been able to combine two issues to produce one project for us to consider today.

I take on board the hon. member for Douglas South Mr Duggan's view of the capital programme and that Treasury must be concerned, but I would point out that this is not a surprise, it has been in the figures for some years now. It has been considered at policy time and it is in its slot, it is in its normal time frame and it is before us today.

Another point I would like to make is that in my current job I come across a number of visitors to our Island who are in the business of bringing business to the Island, and some of those people who have been coming to the Island over a period of 10 or maybe more years will say that 10 years ago the environment of Douglas was very off-putting in terms of investment and they say that that picture is now improving, and I think that this is another piece of the jigsaw in being able to show people from off the Island that there is confidence,

there is investment in Douglas and that things are looking good, and I cannot underestimate that particular view; it is extremely important that we give the right impression to these visitors. Many of them are involved in the financial services sector where confidence is an extremely important issue, and there are signs of regeneration in the centre of Douglas now, which is very often the first part of the Island that they see when they step out of the taxi from the airport or where they come off the boat, and I think that we cannot underestimate how important that particular component is. The environment of the harbour, for those who live around it and for those who visit it will, I believe, create confidence.

I hope hon. members, having scrutinised the down side - because there are some down sides to all of these schemes - will see that overall it is positive, and I am just surprised at the reluctance of the Douglas members in terms of the amounts of money being spent in their town.

Mr Crowe: Mr President, following on from Mr Corkill's mention about the reluctance of Douglas members, I would just like to say that I do support this scheme and in the past I have always supported economic investment in capital projects in Douglas. So I believe that this again is a very good investment for Douglas.

There is one thing that struck me when I was listening to the debate earlier from Douglas members, and I think I raised this question in another place recently with Mr Brown, and that was about the lack of consultation with Douglas members, and I feel that there is a lack of information here in that, whilst this is a very good project, it is not being sold to the Douglas members who have the problem of constituents and parking problems or with traffic flowing into Douglas, and I would ask him, when he replies, if he would at least consider reconvening these quarterly meetings or half-yearly meetings of the Department of Transport, the minister and his members with all of the Douglas members who are involved in all of these problems day to day.

Now, the problems we are having are problems of economic growth and we have to solve those problems. I think that this small part of an overall strategy is one that I would support and I would suggest that other members might like to support as well, and is part of an overall road transport strategy for Douglas which is going to help traffic flows into and through Douglas. So it is only a small part of a process and the yacht haven, as we have heard from other members, is a bonus to this scheme. But I have had people from the UK, who are yachtspeople, people in Scotland, who want to come to the Isle of Man with their yachts. The Isle of Man is in the centre of the Irish Sea; it is a lovely place to visit, as we all know, and we want to encourage yacht-owners to come here but they have no facilities to do it and, although we have supported the Ramsey project which will come to fruition in a few years' time - and I know Mrs Crowe, the Rushen member, is very keen on the Port St Mary one and we share with that and we share that sentiment - here we have an immediate situation where we can create a yacht haven facility in Douglas which will bring visiting yachtspeople into Douglas, into the capital of the Island. It will help the shopkeepers and it will help investment in Douglas.

So, as I say, I see this as part of an overall road transport strategy. Unfortunately it has not been sold to the members properly, certainly the Douglas members, and I would ask again that Mr Brown think of reconvening these meetings so that there is a full and frank discussion on problems and we would have less of this antagonism in a Tynwald debate when it is such a clear and fairly straightforward scheme. Thank you.

The Speaker: Mr President, it is an interesting exercise, isn't it, that traffic is somebody else's problem; as long as we are in our motor car and driving along smoothly and quite happily, traffic is somebody else's problem! It is fine to say that we are going to change the world and we are going to make a material difference in relation to traffic by having this plan and that plan and parking here and parking there. They all make up part of the picture, but in reality and ultimately the only thing you will actually alter is if we all decide that we are going to use public transport and we are going to give up using our motor cars. Now, let us be realistic, we are not going to do that, are we? In logic it will not happen, certainly for some considerable period of time. There is going to be a complete education process of the whole of the western world scenario in how we use our economy and our traffic.

I have no problem at all with this resolution on the agenda paper; as far as I was concerned I was content with it. I attended the presentation the other day and, yes, I am quite certain that along with other members there were queries to be raised. I certainly raised queries with the officers there whilst they were taking me through the scheme. As my hon. colleague from Rushen Mrs Crowe said, I equally use Leigh Terrace on a regular basis, coming over the stone bridge, up round Quine's Corner and, unless I deliberately time my journey into Douglas to coincide with 9 o'clock, five to nine, I frankly move in there without even having to stop. You continually flow along the road without any problem whatsoever. If you look to come in and hit the Nunnery at five to nine, from the Nunnery I could probably walk in just as quickly as I drive in, but it is just for that one period of the day that in fact you can time. So, I have to say to the minister, one of the queries why build a bridge when in fact there is no traffic problem going over the stone bridge now? That is a question which can be asked, and yet at the same time logic decrees that if you look at the whole package as to flowing traffic through and onto the promenade instead of bringing it into Douglas, put a new bridge over the top and it makes sense, doesn't it? So it does.

Then there is the query as you move the traffic along the South Quay, and this is a point which still I am uncertain about, and I am sure the minister will be able ultimately to explain, but I did not get a very forceful answer by the officers in regard to the pinch point on South Quay as to whether the wall would be strengthened, whether they would build out into the harbour area, or whether it would be cantilevered over to widen the road at the pinch point. I do not think that has been fully decided over which way that particular pinch point would be taken at the present time in relation to the transport plan.

I suppose, equally, the other question in transport is the hon. members for South Douglas's comments on Leigh Terrace; well, many of us coming along there, I am sure, have looked at the width of the footpath as you come along Leigh Terrace on the river side of the road and wonder why that has been kept as wide as it has for so long or why could we not do something similar there as was done along the road out to Tromode, where we picked the pavement up and moved it into the games field. Why can't we put the footpath on a cantilever? If we are going to put transport onto a cantilever at South Quay pinch point, why couldn't we put foot passengers onto a cantilever where the wall is over the road?

Now, that is the transport and I go along with the bridge and say, well, okay let us have the bridge because I think in reality it is part of the plan and it will divert traffic round the front of Douglas instead of traffic going through Douglas. I can pick that up quite easily from a traffic management point of view. The water retention also gives us a little bit more of a headache, I

think, because I did again ask them the question as to whether or not the flood plain would be affected back upstream. Now, I have come in Leigh Terrace on a number of occasions and actually found water coming up over the slipway onto Leigh Terrace itself. That is without any barrier, without any bottleneck in the harbour area, without any water retention. Now, the water retention itself will make the harbour visually attractive, no question about that, but at the same time you are going to lift, I would think, the water table level under the properties in Douglas, probably at least eight or nine foot, you are going to lift it because twice a day it currently dries out and it is going to be held to that depth of water. In the long term, that will mean that the surrounding area will become saturated and when you have a high tide and a flood in the river at the same time I am not satisfied that sufficient work has possibly been done back on the flood plain where the river flows down there, and I would ask the minister to particularly take that point on board.

Nevertheless, as I said at the outset, as far as I was concerned I felt that this was something concrete, something which was to the advantage, possibly, in the long term of traffic management and to the business area of Douglas, and I am prepared to support the resolution on the agenda paper.

Mr Houghton: Mr President, I also rise to support this wholeheartedly, really. The problem I have, or the criticism, is that it is largely rather late. It should have been here much sooner. We already have a problem, hon. members. I am not going to go into all the detail that has been covered, but I can say that I have been prompted to point out that there is obviously the plan for IRIS to travel along the North Quay, and North Quay therefore will be closed or certainly baulked for quite some many months, and if this bridge is put in then the traffic could travel along the South Quay, thus taking away the severe problems that would be presented by the North Quay, and I wonder what the hon. minister would have to say about that.

In addition to that, once that is sorted, with both bridges, the stone bridge and the new bridge, in effect, could there not be then a future one-way system put in place also to assist with the severe problem there after Leigh Terrace has been redeveloped as far as the traffic is concerned? So that very much is all I would like to put into this. It is an important link in the chain, it should have been here some time ago and it will assist with the movements of traffic in that area. Thank you, Mr President.

Mr Kniveton: Mr President, I know that the emphasis of this debate is really on the traffic bridge, but the proposals for a new road bridge and water retention within the Douglas inner harbour I believe will undoubtedly provide the catalyst to other environmental improvements in and around the inner harbour area, and that in itself is very important, as has been described to us by the Treasury minister, Mr Corkill. What is really important is that the water retention within the inner harbour will enable vessels to remain afloat at all times. The department anticipates that a similar mix of pleasure craft and fishing vessels to those which currently use the inner harbour will be maintained and will indeed grow and, although the entrance will be narrower than at present, it is anticipated that craft such as sail training and historic vessels will be able to access the inner harbour should they wish to do so.

Now, as member responsible for harbours I can say the department's harbours division is also keen to promote leisure activities in this areas in other ways, and to this end we have reached agreement with the existing Douglas Bay Yacht Club for use of part of the Tongue buildings as their new headquarters.

I know that two members, from Rushen in particular, believe that this water retention arrangement will attract most or all of the craft from Port St Mary to Douglas, but let us remember we are not building a yacht marina, it is essentially a road bridge with water holding or retention in conjunction with that bridge. If they come to Douglas I am sure they will rush back to Port St Mary when the Port St Mary marina is completed, because, as Chairman of the Port St Mary Yachting Marina Committee of the department, I can say we are determined to progress with that job and we are progressing.

Mrs Crowe: When?

Mr Kniveton: So to the Rushen members, do not be worried, I say, about Douglas; it is a walled-in water retention in Douglas Harbour. It is not to be a yachting marina, but it does make sense to construct this structure (*Mr Cannan interjecting*) to provide water retention at the same time as the bridge. They definitely go hand in hand. So Mr President, I look forward, I hope, to seeing the benefits of the scheme coming to fruition and I therefore support this motion.

The President: The hon. minister to reply.

Mr Brown: Thank you, Mr President. There is a saying- “Which comes first, the chicken or the egg?’ - and I think that is part of the problem some members have: which comes first, the road improvements of the bridge? That is a decision the department has had to chew over. Which do we do first? Do we build the bridge knowing what we are going to do afterwards or do we do all the road improvements not knowing whether or not we will get the bridge? Quite simply the answer has to be that the key is the bridge. The key is the bridge, because if you have got the bridge you know then that the rest of the improvements can take place right through South Quay and up through to Road Island.

I have to say whilst I can understand a few of the concerns of some of the members who have spoken from Douglas it is, I suppose, easy for somebody who does not live in Douglas to say it is disappointing when there seem to be more objections to a positive view and, whilst respecting their views on certain issues - and we all have that, we are all here for that reason - it is a trend, I think fair to say, that comes out more regularly - and maybe it is not noticed by the Douglas members, but it certainly is by this member and I think other members - when we are trying to improve the situations in certain areas and we find that the reason we are trying to improve that is representations made by those very same members on different issues. I have been in here some time now and the view and the concern that has always been pushed and pushed has been the traffic problems associated with Douglas, and I was quite surprised to hear members saying it would be all right if we had an overall strategy, and yet at the presentation there on the board was the strategy for the inner link road and the outer link road to tie all this together and other members who have no real interest in Douglas, you could say, were quite clear as to what was trying to be achieved from that and how then the bridge linked into this overall plan. There is a strategy. The department has a policy. A report came to Tynwald and it was received. It was not adopted, but it was received, but a lot of that information is being used to provide us with a way forward to deal with these problems.

Now, whether or not the Douglas members and the people of Douglas like the amount of cars and heavy wagons that come in and out of Douglas is somewhat immaterial to some degree, because it happens, and it does not matter, it happens. Why does it happen?

Because the main harbour is in Douglas. Therefore all the freight comes into Douglas and most people who are employed in the Isle of Man now work in Douglas, but do not live here. So there are pressures. I am not going to make excuses for why they are there. They have happened, they have evolved, but they are there. It is not long ago that the main freight port of the Isle of Man was Castletown - 28 years ago, and all the freight came through Castletown, all the container freight, the vast majority. So things change, but one thing we are sure of is that now that Douglas harbour has been developed, now the breakwater has been extended many years ago, it has provided greater opportunities for Douglas harbour, and from that we know that trend is not going to change. The main freight of the Isle of Man is going to come through Douglas harbour. Some presently continues to come through Ramsey, and long may that continue. So therefore my department says, 'What do we do? We have this problem, how are we going to deal with it?'

Now, a number of points have been raised. I will try and answer as many as I can, but clearly we do know what we are trying to achieve. We are now moving to get this bridge built. The reason we are trying to develop the bridge is to ease the traffic congestion and the problems associated mainly with North Quay at Railway Hill. The Department of Tourism and Leisure are going to, rightly, build a new facility there for all the buses to be contained on the one site and maintained there and that is another knock-on effect to ease traffic congestion problems in the upper town of Douglas. Now, by doing that we are going to have more large traffic going into that Railway Hill area and into that congestion. If the plans that Mr Downie, the member for West Douglas, was keen to see happen and I think many members were, of a large store being developed on the Quiggin's site, he knows and I know the traffic congestion problems that would have brought again onto the junction at the bottom of Railway Hill. So all these things are converging on this one spot. Then you add on to it your peak traffic and then you take on board the point Mrs Cannell said about all the heavy wagons going down Lord Street. How many members go down and stand by the bus station and watch the heavy wagons going up and down there? It is nearly continuous, because they are going from the harbour, out Lord Street, straight up through there and out to Quarterbridge and wherever they have to feed to.

Now, one of the objectives of this is to look at how we can ease the problem of trying to keep as much traffic as possible out of the main residential areas of Douglas. Unfortunately we cannot get it away from everybody because people live in Leigh Terrace, but there are less people who are going to be affected by moving the traffic onto that road than if we keep it going down through Lord Street and all those areas, and we know that by building the bridge it will have a far more direct route. On top of that we have got plans on how to develop further back; I mentioned that in my introduction speech. For example, we are presently working up how to improve the Leigh Terrace situation. Can we provide parking on the other side, a cantilever? We have talked about a cantilever pavement over the river. We cannot build out into the river because in previous surveys they have told the department not to narrow the river any more for the very reason Mr Speaker said, which is that the river floods at certain times. So we are not ignorant of these facts. We are not wanting Tynwald to invest millions of pounds to cause a major problem in terms of flooding or anything else that might go on. What we are saying is within the constraints that we have of the river, the harbour, the housing, the cellars, this is the best way, we believe, to direct traffic into Douglas from another direction and ease the pressure on other areas.

Now, okay, we can leave it as it is, because as the hon. member for West Douglas, Mr Shimmin said, we can get the traffic in anyway. Fine, it does not matter to me. Leave it as it is, but the problem is you have not done anything. We know the traffic is growing. We know the amount of freight being transported in and out of the Island, because the Island is more successful now than it was 20 years ago, has increased and increased. Containers have increased that as well, so the whole traffic movement, the success of people getting jobs, buying cars, the first thing young ones do, means more traffic on the road and, whatever you and I individually might like, we have got to be practical, we have got to be realistic. You say to your children, when they get a job and the first thing they do is save up and buy a car, 'You are not having a car, because you are going to increase the traffic congestion.' What will they do? They will say, 'Hang on, I want a car. I am grown up now, I want a car,' and that is what they will do. I did it. Everybody in here, one of the first things they wanted, I bet, when they started work was a car.

Messrs Downie and Cannan: No, a motor-bike.

Mr Cretney: Hear, hear. Now you're talking!

Mr Brown: Apart from a few of the human ones like myself, Mr Downie, Mr Cretney - we wanted motorbikes - generally most people want a car, they want a vehicle (*Interjection*) and Walter had his horse! Whatever you think anyway, what I am trying to demonstrate is, love or hate it the car is not going to go away; the wagons are not going to go away. Even if we look at different options it is limited how much we can do. Whether you like it or not, it is pretty limited.

So as far as the bridge is concerned we want to build a bridge to ease the traffic congestion. We are already working on proposals, as I mentioned, to widen the South Quay. We are not talking of buying properties on the South Quay. Yes, we will build into the harbour. It may be cantilever, but ultimately it will be done some way. Again, what we are saying over the harbour bit is that that will be the footway. Part of the harbour on South Quay has already been extended by, I think it is, about 30 metres or something; it has already been done, so we know we can do it. As far as Leigh Terrace is concerned, we are working on that. We know the condition of the rest of that road, the Old Castletown Road and the walls. I see it every day, bits falling out of it. Major schemes - whether we build a bridge or not we are going to have to do it anyway, and it is going to cost the Isle of Man Government a lot of money, but it has got to be done. We have already got it in our estimates to progress on from this. We are going to build a new bridge where the railway bridge is and go to the left hand side of that bridge, when you are coming from the south, so that we can get the larger wagons without them causing a problem in the centre of the bridge, but it is not just for that; as the hon. members know who dealt with people there, there is also a problem with the young ones crossing the road to get to school. There is no footpath, we cannot put a footpath in, therefore we have said, how do we deal with this whole problem?

So, if you come back to what I said before, and it was mentioned, when you saw the overall plan which we displayed, which were all the pink roads, it identified all the routes right round Douglas, the outer link and the inner link to get traffic without going through the centre of Douglas. That is partly what this is about, but mainly it is about easing the congestion.

Now, my department could easily have come here and said, 'We want to build a bridge and that is all we want to do.' I was Minister for Local Government and the Environment from

1989 to 1994, and one of the things we were very keen on was looking to see if we could include a water retention scheme in any potential development of the future, and this was before they talked about the bridge across, and to see if we could actually improve that whole area, because the potential of that inner harbour being improved is absolutely fantastic. It will transform that area. People now sit out. You go there on a Friday night, go home from work and you will see all the people from businesses sitting there on the edge of the harbour having a pint, and there are cars everywhere. Now, part of North Quay is going to have to be open to cars because we could not cope, but there is a potential for part of the North Quay, if we want to, to actually be utilised in a different way, but until we decide whether or not to do that and until we know the impact of that, we do not really know, but it is a potential benefit. All we are talking about is, there are ways to improve the whole area and we are taking the opportunity while building the bridge to actually provide a water retention scheme.

The level of the water is at such a level that it will not flood the cellars. When the tide comes in the cellars will flood as they have always done, but they have done a survey, professionals have done surveys for us. They have gone into all the cellars. They have checked out, they know how many flood, everything, and the water will be retained at a level which is below cellar level. So that is the level that we have determined.

Now, the other thing I think that I just want to try and cover is about the IRIS system and, yes, we are conscious, we are the ones who are going to be progressing IRIS. We are hoping, with the approval of Tynwald today, this scheme will start in July. The completion date is by December 1999, so our completion date is there. We have still got the study to do on the transmission main, so that will not be ready to go in, so the point Mr Houghton made is very valid. It may well be, and I am sure it will, that it will assist us in our traffic flows when we are having to do the work on North Quay. That is not why the bridge is being done, but it is certainly a benefit we are going to get out of it.

Whether or not horse trams are going to go down there, who knows? That is in anybody's hands. We are looking at the traffic situation. How can we ease the traffic flow in and out of Douglas? Whether we like it or not, it is happening. We have got to try and ease it; we have got to try and relieve some of the areas that are under considerable pressure already, and most of those are actually areas which are far more densely populated than what we are trying to do and, yes, there is an impact on Leigh Terrace, but we cannot get away from that. What we will do, though, is try and at least relieve them of some of the problems we have. We know there is a parking problem. Now there is a parking problem. They park there and you cannot get through when a wagon is coming the other way. When the works were being done on Peel Road, we had to get the traffic away from there, which eased the problem, but as soon as somebody parked there it caused a problem, so we are aware of that and we are trying to deal with it.

Now, the other thing - I have confirmed the point about a transport strategy. I just want to try and make sure I cover everything. Port St Mary - I have said this now to the member for Rushen who generally is a friend of mine and we get on well! - my department has produced the provision of leisure craft facilities; that has been produced. The member is very impatient, as I said a couple of Tynwalds ago. Let me just make the point clear to the hon.

member -

Mrs Crowe: Ten years.

Mr Brown: No, not 10 years. I have been in the department a year and a half. We have made a statement backed by the Council of Ministers that there should be a yacht leisure facility at Port St Mary. Already there have been meetings with Mr Kniveton in charge to identify how to go forward. My department will be putting forward its proposals for financing the scheme within these next estimates discussions with Treasury. There is no lack of commitment from my department. There is not going to be a problem for Port St Mary because we do this in Douglas. They are two different animals, as Ramsey is a different animal than even the Douglas one and the Port St Mary one. We are absolutely satisfied. . . and I have been this for years; I was on the Tourist Board and the hon. member Mr Lowey will remember, when he was chairman and he was a member of the Harbour Board, I used to be there saying, 'Why aren't you building bloomin' harbour facilities' and I used to say, 'Put a gate across Castletown; it is easy, it is only a little narrow gap and we can have a harbour facility to keep boats afloat,' so my view has always been that the Isle of Man has great potential there and I do not think we need to battle between, 'Should it be there or here?' There is an opportunity for many of our harbours and not just Port St Mary, not just Douglas and not just Ramsey.

Mr Cannan: Try Peel.

Mr Brown: There are other areas. Peel has a potential.

Mr Cretney: Try Jurby!

Mr Brown: And so does Castletown.

The President: Hon. members, we are getting a little wide in our seagoing structures at the moment. Please stay with the issue.

Mr Brown: Yes, so I think the point I am trying to answer for the member for Rushen - what I am trying to say is, do not vote against this motion because you think that by doing it it is going to jeopardise Port St Mary. That is not the case. That is not the case. My department has given a commitment and therefore that is where we are going.

So as far as I am concerned, Mr President, this bridge is needed for the transportation of the Island. We have the benefit of bringing benefits to Douglas, that area, by the water retention scheme and I think we are right to do that.

I would just make one point to the hon. member of the Council, Mr Crowe, who is now not a member for Douglas, and just say to him -

Mr Houghton: Yes, he is.

Mr Brown: No, he is not. He is now a member of the Legislative Council, and can I just say to the hon. member, we had a full presentation on this. All members of Douglas, as all members of Tynwald, were invited to it. The officers were there for two-and-a-half hours to provide information on a personal one-to-one basis if necessary and, as Mr Shimmin said, there was no problem in talking to it. There is no problem for my department to welcome any member of Tynwald who wants to discuss matters relating to their area, and I have no problem with that at all.

The member keeps asking, 'Will we have special meetings to sit down?' I have to say life does not stop between one meeting and another. If members of Douglas have a problem or

any other member has a problem and they wish to meet either the member responsible for the highways and traffic or the member for ports or myself, then we will consider that and we have never yet said we are not going to meet anybody. We will sit down, we will talk about their problems and we will try to deal with them. So as far as I am concerned, there is not a problem there.

Mr President, I think that this will be something that you will look back on, if you approve it today, and say 'By heck, we did the right thing at that time' and I would just urge all members to support this, because whatever their personal views are, whatever you think, you have got to be realistic.

The President: Hon. members, I will put the resolution set out at item 6 on the order paper. Will those in favour please say aye; against, no. The ayes have it.

A division was called for and voting resulted as follows:

In the Keys -

For: Messrs Gilbey, Cannan, Quine, Rodan, Brown, Houghton, Cretney, Braidwood, Mrs Cannell, Mr Downie, Mrs Hannan, Messrs Singer, Corkill, Gelling and the Speaker - 15

Against: Mrs Crowe, Messrs Duggan and Shimmin - 3

The Speaker: Mr President, the motion carries in the House, 15 votes cast for, 3 against, sir.

In the Council -

For: Messrs Lowey, Waft, Dr Mann, Messrs Kniveton, Radcliffe, Mrs Christian and Mr Crowe - 7

Against: None

The President: In the Council, Hon. members, the motion carries with 7 votes being cast in favour and no votes against. I declare the resolution carried.

Supplementary Authorities - Expenditure Approved

The President: Item 7, the Minister for the Treasury.

Mr Corkill: Mr President, I beg to move:

That Tynwald -

- (i) *authorises the Treasury to expend in respect of the year ended 31st March 1998, from the capital transactions account sums not exceeding £1,301,933 in payment of the items set out in column 6 of the schedule hereto; and*
- (ii) *approves the expenditure totalling £4,021 detailed in column 7 of the schedule hereto -*

SCHEDULE - CAPITAL AUTHORITIES FOR 1997-98						
1	2	3	4	5	6	7
Department	Item	Project	Vote 1997-98	Actual 1997-98	Excess 1997-98	Additional Amount be Authorised for Project £
			£	£	£	£
Education	1	Cooil New School	2,314,500	2,420,832	106,332	-
	2	Laxey School Extension	40,000	44,021	4,021	4,021
Health & Social Security	3	Obstetric/Paediatric Unit Northern Community Hospital:	-	7,410	7,410	-
	4	- Mechanical & Electrical Services	182,800	233,416	50,616	-
	5	- Adaptations	-	36,086	36,086	-
	6	Ballamona Demolition, Centre Block	95,400	121,205	25,805	-
	7	ESMI Units Ballamona	22,800	39,536	16,736	-
Local Government & the Environment	8	Office Relocation Phase A	-	7,697	7,697	-
Tourism & Leisure	9	MER Shed, Derby Castle	203,430	256,691	53,261	-
	10	NSC Phase 2b Construction	2,162,650	2,563,982	401,332	-
Transport	11	Ro Ro Ramp Construction	-	44,247	44,247	-
	12	Foxdale Drainage	-	8,100	8,100	-
	13	IRIS Stage 2 Design Fees	78,360	92,058	13,698	-
Borrowing Authorities	14	Local Authority Loans	2,000,000	2,526,592	526,592	-
			7,099,940	8,401,873	1,301,933	4,021

Notes

- Column 6 shows the supplementary capital vote required to authorise the overspending of the Vote occurring in the last financial year. However, it does not imply that the total cost of the project approved by Tynwald is overspent.

2. Column 7 shows any overspending of the project against the total cost of the project previously approved by Tynwald. (One project, Laxey School extension, exceeded the total cost approved by Tynwald in 1997-98, but further funds for that project were voted for 1998-99 in the March 1998 budget.)

The need for the supplementary authorities arises from those items of capital expenditure where the amount spent last financial year exceeded the capital vote approved by this hon. Court. The schedule accompanying this resolution as set out on today's paper shows in column 6 the excess capital expenditure during the last financial year for which approval is now necessary. The Chief Financial Officer has, of course, to honour contractual obligations and has had to make the payments even though it was evident that the schemes were going to become overspent. It is often difficult for a department to forecast the value of payments to be made in a particular year on a scheme which overlaps several years. Any overpayments arising may be the result of underpayments in previous years and insufficient moneys carried forward or they may arise from continuing schemes with the provision for 1997-98 being overspent because the work proceeded more quickly than anticipated. In that case we would obviously look for a subsequent reduction in the following year.

Of the 14 schemes referred to in the schedule that have overspent their vote for the year, all but one have not exceeded the total amount approved for the schemes and are still within the total vote, albeit not for the particular year 1997-98. The one item that has exceeded its total approved by Tynwald is referred to in column 7 and is simply there because it was effectively a new project which was approved in last year's budget and it has proceeded faster than expected. The project is incomplete and additional funds were authorised for 1998-99 onwards in the March 1998 budget. I beg to move, Mr President.

Mr Radcliffe: I beg to second, sir.

The Speaker: Briefly, Mr President, can I ask the Treasury Minister, have the items he referred to in column 6 all been taken into account in the Light Blue Book which we received yesterday to save me looking them up individually?

Mr Corkill: Yes, Mr President, that is the case.

The President: I will put the resolution, hon. members, standing at item 7 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

Value Added Tax Act 1996 (Amendment) Order 1998 - Approved

The President: Item 8, the Minister for the Treasury.

Mr Corkill: Mr President, I beg to move:

That the Value Added Tax Act 1996 (Amendment) Order 1998 be approved.

The purpose of this order is to amend the Value Added Tax Act 1996 introducing changes analogous to those made to the United Kingdom VAT law by budget resolutions of 17th March 1998. The Act is amended in two respects and I beg to move, Mr President.

Mr Radcliffe: I beg to second, sir.

The President: I will put the resolution standing at item 8, hon. members, on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

Value Added Tax (Supply Of Services) (Amendment) Order 1998 - Approved

The President: Item 9, the Minister for the Treasury.

Mr Corkill: Mr President, I beg to move:

That the Value Added Tax (Supply of Services) (Amendment) Order 1998 [SD No 205/98] be approved.

The purpose of this order and of several other orders laid before the Court today is to close loopholes in VAT law that are being exploited by the use of artificial arrangements set up to avoid accounting for the proper amount of VAT. There have been no recorded cases of avoidance schemes involving transfers actually on the Island and the resources implications of this measure are therefore minimal. I beg to move.

Mr Radcliffe: I beg to second again.

The President: I will put the resolution set out at item 9 on the order paper, hon. members. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

Pension Schemes Legislation (Application) (No. 2) Order 1998 - Approved

The President: Item 10, the Minister for Health and Social Security.

Mrs Christian: Mr President, I beg to move:

That the Pension Schemes Legislation (Application) (No.2) Order 1998 [SD No 192/98] be approved.

This order applies to the Island one item of subsidiary legislation of Parliament concerned with occupational pension schemes. Regulations being applied by the order are concerned with protecting members' interests when he or she contracts out of the state scheme rather than regulating the pensions industry, which falls under the remit of the Pensions Authority. A memorandum has been circulated to hon. members explaining in detail the purpose of the regulations being applied by the order. The UK legislation for the most part falls within the terms of the reciprocal agreement with the UK and needs to be applied to the Island to keep the relevant legislation in line with that of the UK. I beg to move.

Mr Houghton: I beg to second, sir.

The President: I will put the resolution, hon. members, standing at item 10 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

Fishing Vessels (Support) Scheme 1998 - Approved

The President: Item 11, the Minister for Agriculture, Fisheries and Forestry.

Mrs Hannan: Thank you, Eaghtrane. I beg to move:

That the Fishing Vessels (Support) Scheme 1998 [GC No 15/98] be approved.

The Fishing Vessels (Temporary Support) Scheme was first introduced in 1981. The scheme has long outlived its temporary status but continues to be of benefit not just to the fishing industry but to our economy as a whole. The revised scheme before this hon. Court acknowledges this fact by being simply a support scheme.

In 1981 a temporary support scheme was adopted in the United Kingdom. There the scheme was based purely on length: the bigger the vessel, the more money was received.

The United Kingdom no longer has an equivalent scheme but hon. members will be aware of the large sums made available to the UK fishing industry from both the United Kingdom and European sources. Ports, their infrastructure and facilities have received massive injections of cash, improvements which have benefited all branches of the United Kingdom industry.

Whilst set up on a very different basis, our support measure in the form of a Fishing Vessels (Temporary Support) Scheme has also been beneficial across the board. The Manx scheme has been a productivity bonus for vessels landing into the Island and, as well as benefiting the vessels themselves, the scheme supports processing and handling agencies by attracting landings. This provides a financial spin-off in the community and the Island's economy. The majority of catches are exported to markets in France and Belgium, bringing new money into the Island.

The Fishing Vessels (Support) Scheme will continue to provide that support but with some amendments to the scheme's structure, because there is no central fish marketing in the Island. The first-hand sale value of some landings has been taken as the price they would have fetched at markets across. This is quite clearly not a true Manx price. Anyone buying these catches for subsequent export would offer a price taking into account the export costs. That is provided for in the revised scheme.

The industry brought up the difficulty of finding all Manx-resident crew. Fishermen are not subject to work permit arrangements so there are non-resident or temporarily resident fishermen working on board Manx-registered vessels. These vessels are not eligible to receive support under the scheme so they may well land to ports elsewhere rather than bringing their catches here. Noting the industry's concern, the scheme relaxes the requirement for all crew members to be Manx-resident to one requiring at least 50 per cent of the crew to be resident. The earnings of the resident crew members go into the community, but the major contribution to the economy is from attracting vessels to Island processors. The change is intended to take away a disincentive to that happening. There are other amendments which have been detailed to hon. members in background information supplied to them. I therefore beg to move that the new scheme, the Fishing Vessels (Support) Scheme 1998, be approved.

Mr Shimmin: I beg to second, Mr President, and reserve my remarks.

The President: I will put the resolution, hon. members, standing at item 11 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

Fishing Vessels (Financial Assistance) (Amendment) Scheme 1998 - Approved

The President: Item 12, the Minister for Agriculture, Fisheries and Forestry.

Mrs Hannan: Eaghtyrane, I beg to move:

That the Fishing Vessels (Financial Assistance) (Amendment) Scheme 1998 [GC No. 14/98] be approved.

The Fishing Vessels (Financial Assistance) Scheme was approved by Tynwald in February 1990 and was amended in January 1997 to take account of the marketing licences which have developed separately from the market for vessels. The scheme is a generous one, but this is because the market price of vessels has risen so much that that previous scheme did not provide the level of support sufficient to be of practical benefit to the industry. At the

same time the United Kingdom was offering support which was backed by substantial European assistance. Although the United Kingdom support measures including European funding have been subsequently withdrawn, Ireland has continued to provide assistance to the fleet, including the purchase of new-builds and secondhand vessels. The advent of a market for licences has kept the price of vessels very high. The major complaint throughout the British Isles is that ownership of vessels is becoming concentrated in the hands of fewer and fewer owners, particularly fishing companies. The financial assistance scheme enables Island-based skipper/owners to compete in a difficult marketplace.

The amendment scheme before this hon. Court makes it clear that the department intends to continue this support, albeit with some alterations. The primary amendment concerns the period during which a grant remains repayable in full. It has been suggested that the availability of generous assistance has led to some applications which take only a short-term view of the industry. The amendment aims at a balance between the levels of assistance and a long-term commitment to the future of the industry. In the case of improvements to vessels or upgrading the electronic, navigation or other equipment, a grant will be made repayable in full within five years and then at a diminishing rate over the next five years. In the case of new-build, a secondhand vessel or a major component - that is to say, an engine or a winch - a grant will be repayable in full within 10 years, then again in a diminishing rate over the next five years.

Hon. members have been given background information about the amendment scheme, which underlies continuing support for the fishing industry, to which I hope members will be pleased to give their support. I beg to move the Fishing Vessels (Financial Assistance) (Amendment) Scheme 1998 be approved.

Mr Shimmin: I beg to second, Mr President, and reserve my remarks.

The President: I will put the resolution, hon. members, set out at item 12 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

**United Nations Personnel Act 1997 (Of Parliament) - Extension To The Isle Of Man -
Motion Carried**

The President: Item 13, the Chief Minister.

Mr Gelling: Mr President, I beg to move:

That Her Majesty be requested to direct by Order in Council that the provisions of the United Nations Personnel Act 1997 (of Parliament) shall extend to the Isle of Man with appropriate exceptions, adaptations and modifications.

The object of the United Nations Personnel Act is to give effect to certain provisions of the United Nations Convention on the Safety of United Nations and Associated Personnel. The convention was drawn up because while there was already regulation of the conduct of combatants in international armed conflict, no instrument prohibited or provided legal remedies for attacks against persons performing traditional non-combatant peace-keeping functions. With the increase in the number of peace-keeping operations around the world and the rising casualties to UN personnel, UN member states realised that there was an urgent need for an international agreement that would deter and provide for punishment of such attacks. The

convention creates a regime for prosecution or extradition of persons accused of attacking UN peace-keepers and other persons associated with UN operations.

The Council of Ministers decided that the Home Office should be informed that it was the wish of the Isle of Man Government that the convention be extended to the Isle of Man and furthermore, the Council agreed on the advice of HM Attorney-General's Chambers that it would be appropriate for the convention to be implemented in the Isle of Man by the United Kingdom legislation extended by Order in Council. So I beg to move the motion standing in my name at item 13.

Mr Brown: I beg to second and reserve my remarks.

Mr Downie: I just wonder if the Chief Minister would elaborate and give the Court today an instance of where this particular Act could have some bearing on the Isle of Man, and would I be correct in saying if a person came here secretly to live who had been involved in some sort of atrocity in a country in which the United Nations had some bearing, that is the main thrust of our being involved in this particular Personnel Act? I just want, really, some clarification as to what we are actually getting involved in here and what effects it could have on the Island.

The President: Reply, minister.

Mr Gelling: Yes, as is nearly always the case, Mr President, the very part of the notes I did not go through was the very question that I have been asked! So yes, I can inform hon. members that the convention makes it an offence to commit an act of violence against United Nations and associated personnel and premises to the extent that any of these crimes could be committed in the Isle of Man and they are then already covered by Manx law. If they were to be committed elsewhere in the world by British subjects, then the United Nations Personnel Act makes this an offence and as such, with the extension of the Act to the Island, covers those people normally resident in the Isle of Man. So the Act deals with provisions relating to extradition and prosecution, and the current position is that extradition proceedings from the Isle of Man are dealt with under United Kingdom legislation and in practice, where there is a request for extradition, proceedings will take place in the United Kingdom. I beg to move.

The President: I will put the resolution, hon. members, standing at item 13 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

Plant Varieties Act 1997 (Of Parliament) - Extension To The Isle Of Man - Motion Carried

The President: Item 14, the Chief Minister.

Mr Gelling: Mr President, I beg to move:

That Her Majesty be requested to direct by Order in Council that the provisions of the Plant Varieties Act 1997 (of Parliament) shall extend to the Isle of Man with appropriate exceptions, adaptations and modifications.

The Plant Varieties Act sets out a new framework for plant breeders' rights and makes provision for the Plant Varieties and Seeds Tribunal. It also extends the time limit for the institution of proceedings for contravention of seeds regulations.

The Act replaces previous United Kingdom legislation dealing with plant breeders' rights which extend to the Isle of Man by Order in Council. The Department of Agriculture, Fisheries and Forestry advised the Council of Ministers that it would not be practical for the Isle of Man to pass its own legislation which would require the Island to set up and maintain its own bureaucracy to deal with plant breeders' rights by the granting of licences, the making of regulations, the keeping of a register of names of varieties, the taking of proceedings in respect of offences and the setting up of a plant varieties and seeds tribunal. The department also advises that the definition of small farmers in the Act meant that most Manx farms would be exempt from the provisions relating to royalties on farm-saved seed.

The motion seeks that Tynwald approval that it be extended to the Isle of Man and I beg to move the motion standing at item 14.

Mr Brown: I beg to second and reserve my remarks.

The Speaker: Mr President, I rise to oppose this motion by the Chief Minister on the agenda paper today. I think that the explanatory memorandum which was sent round to hon. members in relation to this measure is somewhat misleading. If you turn to the final paragraph of it, it simply says that section 52(2) of the Act states that Her Majesty may by Order in Council direct, and I think that is absolutely right, that can happen, and here today the Chief Minister is asking us that we should make the request that in this particular instance we should go along with imposed legislation upon us instead of us being prepared to provide and come up with our own legislation.

Now, in most cases and in one immediately in advance of this item, in item 13 on the agenda, I see nothing wrong basically with going along with that when that has been the case previously. Here we have a situation, I think, in relation to the extension of the Plant Varieties Act of 1997 so that it applies to the Isle of Man. I think that we are in danger of allowing something to happen from outside of the Isle of Man in which we would have ultimately no control, and I am disappointed that the Department of Agriculture, Fisheries and Forestry is content for the Act to be extended to the Isle of Man.

The agricultural industry on the Isle of Man has been through a couple of traumatic years in relation to animal health - without any question I think every member is very well aware of that - and the opportunities for the Manx agricultural industry are few and far between in the normal course of events. In the normal structure of the agricultural industry livelihood the number of opportunities which are available now or in the future are hard to come by. I am not saying that it is a practical proposition at this very moment that we may have an entrepreneurial situation in the Isle of Man five or ten years down the road, who may be seeing a window of opportunity in plant-growing, plant varieties, whereby the Isle of Man could again become a situation of excellence for plant seed and plant production, and it seems to me a shame that if that opportunity were to be found by an entrepreneur it would be bounded by an Act enacted in another parliament and not within our own parliament.

At this stage, unless the Chief Minister can come up with a really good reason as to why we should not legislate, other than what is in that explanatory memorandum, which simply says, 'the keeping of a register of names of varieties, the taking of proceedings in respect of offences and the setting up of a Plant Varieties and Seeds Tribunal,' I can tell the Chief Minister that for a number of years now the Department of Agriculture every year sends round

to farmers who produce cereal or who produce potatoes in the Isle of Man a list of varieties which are controlled. They have those lists available. Those lists are there and sent to farmers now. So all I am saying is it is possible. I think that in the future, if we were prepared to do our own legislation on this in relation to farm size or whatever, there could be a window of opportunity, and it seems to me a shame that we may be passing up what could be a window of opportunity on the easy way out of saying we will just have it applied to us rather than pass our own legislation.

Mr Crowe: Mr President, just taking up from Mr Cringle's point there, it is one of these orders that seem to be in a way a slight cop-out, in that we have not looked at the long-term problem here or the long-term opportunities and I share Mr Cringle's, the hon. Speaker's point about this. He is an expert in agriculture and I think it is very easy to adopt these orders and just give all our responsibilities away and I think, if we look at the next order on the agenda, which is the Telegraphy Act, in 1949 all the rights were given away to the UK and we have been living with that ever since. So I think at Tynwald Court we have to remember our responsibilities in not only the present but looking at the future as well and the opportunities that may be presented.

The President: Reply, Chief Minister.

Mr Gelling: Yes, Mr President. On that point, basically I have to reply to the hon. Mr Speaker and the hon. Member of the Legislative Council that it has been basically done after research into the practicalities of setting up this whole bureaucracy to deal with something that has been explored, I understand. It was explored on two occasions; the last one was last year when the Department of Agriculture were quite prepared and in fact had a person ready to send away to train for the inspection of seed, but it was found on research and after discussion with the Cereals Committee of the National Farmers Union that the laid down definition of a small farmer was 92 tonnes of grain per lot or per farmer and, when they went through their records, they found that all our farmers would have been exempt practically - I cannot tell you what the percentage will be - but I take on board what Mr Speaker is saying; there is and there was seen to be a window of opportunity that here was something that the farmers could have actually got into.

I do also know, of course, that we have had uncertified seed actually being supplied in this Island, and I say again uncertified by an agent, because the farmer can grow and multiply himself his own seed. It is when it then goes into an agency that this would apply. When they looked into the situation with regard to the royalties that would have to be paid, it worked out something like, I think it was, £40 a tonne, £5 an acre for inspection, and no matter what you were growing, if it was 100 acres or perhaps 40 acres, you had to have a demonstration plot that was to be seen by the people who came to inspect your particular grain or whatever and therefore the cereals committee actually pulled back and said, 'Well, it is not for us at this time.'

Now, I also know, because I was out there only recently, this was an opportunity that certainly Knockaloe and our agricultural adviser was keen to explore because I know there is a machine out there which is an experimental seed machine that we purchased very reasonably. So in other words, the equipment is there, so therefore the opportunity is still there, but I take on board that in this particular case, as was not the case with the previous resolution, it was

purely the practicalities of the expense of setting up a bureaucracy when they had pulled back from it and said, 'Well, no, it is not as attractive as we originally thought.'

So that really is the situation as it is at the moment. I am quite sure the department would continue to try to encourage people. There might be in the future, as Mr Speaker says, an entrepreneurial chap who might very well go into this in a big way and, if someone went into it in a big way, it could very well be viable, but that is the only explanation I can give to hon. members, that it was seen at this time by the industry as not being something that they wanted to progress.

So I beg to move item number 14. Whether I have been able to satisfy Mr Speaker . . . I have not, so I know he will vote against.

The President: Hon. members, I will put the resolution set out at item 14 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

A division was called for and voting resulted as follows:

In the Keys -

For: Messrs Gilbey, Cannan, Quine, Rodan, Mrs Crowe, Messrs Brown, Houghton, Duggan, Braidwood, Mrs Cannell, Messrs Shimmin, Downie, Mrs Hannan, Messrs Singer, Bell, Corkill and Gelling - 17

Against: The Speaker - 1

The Speaker: Mr President, the motion carries in the House, 17 votes for, 1 against.

In the Council -

For: Mr Lowey, Dr Mann, Mr Kniveton and Mrs Christian - 4

Against: Messrs Waft, Radcliffe and Crowe - 3

The President: In the Council the resolution carries, with 4 votes being cast in favour and 3 votes against.

Wireless Telegraphy Act 1998 (Of Parliament) - Extension To The Isle Of Man - Motion Carried

The President: We move on, hon. members, to item 15. I call upon the Chief Minister.

Mr Gelling: Mr President, I beg to move:

That Her Majesty be requested to direct by Order in Council that the provisions of the Wireless Telegraphy Act 1998 (of Parliament) shall extend to the Isle of Man with appropriate exceptions, adaptations and modifications.

The object of the Wireless Telegraphy Act 1998 is to undertake amendments to the Wireless Telegraphy Act of 1949, which already applies to the Island in two principal ways: it allows for what is called differential charging of wireless telegraphy licences so that differing charges may be levied according to whether the area concerned is defined as non-congested, congested or highly-congested. The purpose of this is to bring forward legislation to allow for the use of pricing to assist in the effective management of the radio spectrum by increasing prices in geographic areas where there is growing congestion. To be frank, congestion is not

an issue on the Island and the spectrum pricing, as it is termed, will have only a limited effect; indeed it may become cheaper for some users. The second aspect of the Act is that it allows certain licences to be auctioned. This new feature is expected to apply in respect of the allocation of newly released spectrum areas, in particular for the next generation of public mobile communications. Again, the purpose is to secure efficient use of the available spectrum through pricing mechanism. The main advantages of this are that a guaranteed coverage for the Island can be built into licences granted locally and we will directly benefit from any auctioning process.

In essence, this Bill is essentially an enabling measure, adding necessary provisions to the Wireless Telegraphy Act of 1949. It is established Council of Ministers policy that when the United Kingdom Government next review the 1949 Act the opportunity should be taken for the Isle of Man to press for its own domestic legislation rather than be covered by the United Kingdom Act. Any such review appears not to be likely in the foreseeable future, and accordingly the Constitutional and External Relations Committee have been directed by the Council of Ministers to consider the prospects for the Isle of Man undertaking its own Wireless Telegraphy Act. A provisional paper has been sought from the Director of the Communications Commission and when the Constitutional and External Relations Committee next meet, which is on 8th June, both the director and the chairman of the commission will be in attendance to discuss this particular subject. So I beg to move item 15 on our agenda today.

Mr Brown: I beg to second and reserve my remarks.

Mr Downie: Mr President, I think, if I am not mistaken, we are entering into an area in the UK where there is about to be a lot of controversy, and I stand to be corrected on this but I understand that part of this Wireless Telegraphy Act of 1998 introduces things like a system where there can be a tax on mobile phones; it relates to quite a number of issues, as the Chief Minister has indicated about high peaks, low peaks, charging rates, and so on and so forth.

Now, there is another aspect. I do not know, I am not quite sure, and I have not been able to get enough information to date, but I know that the Chief Minister may be able to get some additional information or bring me up to date through the Council of Ministers. How does this Act affect our monopoly on the Island where at the moment we know certain companies and big businesses are phoning a number in the UK and they are then getting into a telephone network in the UK and they are finding that they are having a much lower charging regime by being able to get into that network? Does this Wireless Telegraphy Act of 1998 prevent that happening?

Now, I wholeheartedly support the Chief Minister when he says it is their established policy in the Council of Ministers to introduce domestic legislation for us to get control of this ourselves and why we have to be tied to some other authority and have to go through the rigours of this Wireless Telegraphy Act over the many years from the 1940s and the 1950s is beyond me. The world of telecommunications now has changed beyond all belief, and I honestly feel that the sooner this Island gets a grip and has its own law and legislation to deal with the matter here it will be a much better place. I would like to see even more opportunities provided here for competition and, if some other company wants to come in with a cellnet system or another system for mobile phones, fine, it is all good healthy competition. If you listen to people out in the constituencies they will tell you that the telephone charging system in the Isle of Man now is one of the most expensive in Europe. I am not an international user,

but people in business tell me that they are now paying through the nose and they are looking for other ways in which to increase the potential to be able to utilise other systems.

So I would just like the Chief Minister to perhaps broaden this out if he can and if possible, during the summer recess, if he has got some additional information together, I am sure the members would only be too pleased to come along and have a presentation of what is a most complicated but at the same time very interesting subject and one which this Island should be addressing. Thank you, Mr President.

Mr Crowe: Mr President, following on from Mr Downie's remarks, and I would go along with a lot of what he is saying about the future, these telecommunications - we are seeing it changing rapidly: radio, TV, satellite, cable, digital TV, longwave radio. All of these things are coming into fruition and the opportunities are huge. When I read this briefing paper in the Tynwald briefing papers I wrote down 'Surely the Isle of Man could take over this responsibility itself and take back the Wireless Telegraphy Act that we, or our predecessors, had given over to the UK in 1949,' and I was very pleased when I heard the Chief Minister say that he is going to discuss bringing our own domestic legislation into play which would take back the responsibility for wireless telegraphy and all TV as well into the Island. (**Mr Cretney:** Hear, hear.) So thank you.

The President: Reply, minister.

Mr Gelling: Yes, Mr President. I thank both the hon. members who have spoken on this subject. Without doubt it is the fastest moving industry, I suppose you could call it, the one of communications and information systems, and certainly of recent times we met with the service providers on our Island here and those are the people at the sharp end, and they were able to describe much of what the hon. member for West Douglas has said today, and that is the movement in communications and that the Isle of Man should be making sure that they are getting part of the action. Now, it is a fact that, referring to this extension to the Island, the Communications Commission has already recommended not participating within the UK auctioning of new spectrum areas to be used by mobile phones. So this is something that is ongoing and certainly something that we want to continue to talk with the Communications Commission on.

Also, I can inform hon. members that there are a significant number of spectrum users on the Isle of Man including UK national broadcasters, both radio and television, Manx Radio, emergency services, public utilities, Manx Telecom, mobile radios, radar, radio navigation, in addition to the cellular phones. So this is something that we are right in the middle of and I certainly would wish to take the opportunity to keep members informed of the information that we get available to us, and certainly maybe at one of our summary of proceedings or at a presentation I would wish to do that to keep members informed.

I wish therefore to move that item 15 be accepted by hon. members today.

The President: I will put the resolution, hon. members, set out at item 15 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

Residential And Nursing Homes - Supplementary Benefit - Amendments To Rules - Motion Carried

The President: Item 16, the Minister for Health and Social Security.

Mrs Christian: Mr President, I beg to move:

That the Department of Health and Social Security be invited to progress legislation to implement the recommendations contained in the report to Tynwald on possible amendments to supplementary benefit rules in relation to capital resources for those in residential and nursing homes.

Members will recall that following a request from the Council of Ministers and a Tynwald resolution on the issue the department presented a report to Tynwald in October 1997 which examined the options and costings of support to those requiring long-term care. That report was extensive and drew on the experience of other countries in addressing this issue. Interestingly, all the steps taken and proposals being considered in other countries were towards containing the cost of long-term care amidst concern that without change future generations might not be able to finance the growing costs. It is worth noting that the Isle of Man was the only country where actually increasing public expenditure in this area has been considered, even though without change the Island was projected to experience the same future funding difficulties as other countries due to an aging population and in particular a growing population of the very elderly. Nevertheless, the department responded to the political wishes of the day and undertook in particular to come back with a specific proposal to ease the capital tariff in supplementary benefit. This, then, is the purpose of the report before members today, which has taken rather longer than expected to prepare due to the complexities of estimating long-term financial implications.

In summary, the department's proposals are to exclude the value of a dwelling house from the definition of capital resources in supplementary benefit in long-term care cases solely for the purpose of determining whether or not a person possesses in excess of £20,000 capital, which of course excludes him or her from entitlement to that benefit under the present rules. Having exempted him or her from that current disqualification rule, the department then proposes to assume an income from that capital resource, the dwelling house, of 5 per cent of its value up to £50,000 and 10 per cent in excess of that sum. The department's proposals will not exempt dwelling houses from benefit testing for people entering long-term care. What it will do is bring within the scope of supplementary benefit on entering long-term care some people who are presently excluded by virtue of house ownership and to assume a modest return from that asset, the house, which is no longer required for occupation. This proposal is estimated to cost an additional £1.1 million when a full year's cost is eventually reached, rising to £1.6 million at today's prices by the year 2031.

The department's concerns about the proposal are documented in the report. Because there is uncertainty in some of the factors involved in projecting costs there is a question as to whether government revenues can sustain any additional funding for long-term care in the future. It is anomalous to treat capital value of a house no longer required by its owner any differently from other capital holdings such as investments, and the proposal will represent a subsidy from the general taxpayer to assist in the process of transferring wealth from one generation for the benefit of the next, and we need to remember that some of those taxpayers will not themselves be in the position of being home-owners. But above all, future funding of long-term care is a worldwide problem. The Island's projected increase in the aged 80 and over population is replicated elsewhere. However, whilst other governments are taking steps to manage future costs, the department is being asked to make a recommendation to increase spending eventually by over £1 million per annum. Hon. members will not, therefore, be

surprised to learn that the department does not view this proposal as its first priority. Demands for service improvements and developments are continually being made to the department by the public and members representing the public which we have difficulty now in satisfying within the budgetary constraints. Clearly the progression of this particular proposal by the department, if indeed that is what hon. members consider a priority, is going to add to those difficulties.

Moving to the other proposals within our report, the department is proposing to clarify the deprivation rules which can cause such difficulty in supplementary benefit adjudication. The present rules provide that where a person has deprived himself of a resource for the purpose of securing supplementary benefit he will be treated as still in possession of it. In practice, due to the appeal process the application of this rule can prove something of a lottery and we hope that the department's proposals will make the rules in future fairer between individuals.

It is also proposing to introduce a 10-year rule whereby disposal of assets made more than 10 years prior to benefit claim being received are disregarded as a resource, whatever the motive for the disposal.

The second area where the department believes it can make progress is in relation to voluntary carers. The department is aware that some members are concerned about the position of voluntary carers who remain in occupation of a dwelling when the owner has entered long-term care. In many cases the voluntary carer will be a spouse or an aged or incapacitated relative and so the dwelling will already be disregarded as a resource from the supplementary benefit claim of the person entering long-term care - that is under the existing rules. The department believes that we should also disregard a dwelling as a resource where the carer is under pension age and entitled to invalid care allowance or would be so entitled were it not for earnings in excess of the maximum allowed. This would be a new provision which is proposed in the report and the department believes that it can amend the scheme in this way without a significant resource implication and, by doing so, should relieve the situation of a small category of individuals who can presently experience difficulties. It might also encourage some people to provide voluntary care where they might not currently do so.

The final area the department was asked to examine was the possibility of the Island having its own national care insurance scheme. The department does not support such a proposal at the present time because the extent of migration between the United Kingdom and the Island would make such a scheme operated in isolation quite difficult. We would be faced with the situation whereby many requiring long-term care on the Island had paid insufficient contributions to a purely Manx scheme due to working in the United Kingdom, and similarly there would be some who have paid long-term care contributions on the Island who have retired to the United Kingdom where long-term care had become the responsibility of a UK local authority. The department considers it prudent to await the publication of the report of the Royal Commission on Long-term Care in the United Kingdom before giving further consideration to a long-term option for the Island. That report is expected at about the end of this year.

If these proposals are supported by the Court the department will progress the legislation to implement them. I beg to move the motion standing in my name.

Mr Houghton: And I beg to second, sir.

Mr Braidwood: Mr President, first of all I would like to thank the minister for the presentation last Friday. Now, this has been a long and tortuous path. In Tynwald Court on Tuesday, 21st November 1995 I raised this problem and if I can just indulge the time of the court: 'Given the present concern of the elderly in losing their homes and savings to pay for long-term care as they get older, will you consider amending the Supplementary Benefit (Resources) Regulations 1981 either to remove the value of the primary home in the assessment for benefit or increase substantially the threshold limit for supplementary benefit when a single person or couple move into nursing or residential homes?' I also asked that there was no time limit at that time for capital assets of the home in assessment for benefit to be disregarded regardless of the fact that they have been gifted years previously and I also mentioned that it was a deplorable situation when a house can be sold when occupied by a son or daughter who was not elderly or incapacitated themselves and had looked after their elderly patients when those parents moved into nursing or residential homes and the house was the principal asset.

Now, in some way the report has addressed some of my concerns. On the assets, now there is going to be a time limit of 10 years. I think that is still too long. In a lot of other countries it can be 30 months, three years. I am not saying that we should go down that path but I would say that five years would be a reasonable time allowance. I welcome the part on the carers which is being introduced which will benefit children who look after their elderly parents. Again, I know the department is trying to keep people in their homes and the care in the community, which is the way forward, and it is only a last resort that they have to go into residential homes or nursing care.

Now, on the capital rules I have looked at the technical appendices and I have gone through all the options and for an interim measure I can go along with the report. I would have preferred to see a different option where there was a greater benefit for people such as instead of bringing this 10 per cent in over the £50,000 where it was just 5 per cent on the assets. I know that the capital disregard is being reduced for people with capital from 12.5 to 10 per cent and I must admit that it was following that November of 1995 that the Minister of the DHSS in the budget proposals in 1996 increased the thresholds from £5,000 to £12,500 and £15,000 to £20,000, which went some way to alleviate the problems of people.

It has, as I have said previously, been a long path. The department has come up with a report which I can go along with in the interim. I think, if it is introduced, it is £0.8 million at the present time rising to £1.6 million in the year 2031, so that of course is 30-odd years down the line and we have not even looked at the problems yet of introducing such as a Rowntree Commission which was thrown out by the last UK government. We will be looking at the report when it comes forward at the end of the year into either a scheme, which is like a national insurance care scheme which has been allowed for, or your own funding scheme where an individual pays into his own fund to pay for his long-term care in the future, and I hope that the Court will endorse this proposal but I would like to see, once it is implemented, to come back in a couple of years to see how many people have been brought into the net, and there will be problems, we know there are going to be problems. And then I would like in two years' time to assess this report to maybe amend it again slightly to benefit individuals looking at that capital of the house and the assessment of 5 per cent or 10 per cent. Thank you, Mr President.

Mr Lowey: Mr President, I wish I could be as generous as the last speaker who has resumed his seat. I cannot be generous. I believe that the report is mean; I think the wishes and desires of this Court have been taken on board very grudgingly, and that is obvious from the report. If you read the report it is laced with vinegar and I think it does nothing, no comment at all, and I believe it does not address the illustration of the hon. member for East Douglas when he said about the children. Unless the children actually are receiving care as allowances or are severely disabled themselves they will not qualify, although in many instances it is the children of the parents that have kept the home going and again there is no recognition in this report. The minister herself damned this report with faint praise when she said, 'It is not our first priority.' I doubt whether it was any priority of the department dealing with these particular problems and I do believe that the report is very limited.

I looked at the resolution and I see the resolution is only a declaratory one in the sense that we will bring in legislation, so we will have an attempt to actually deal with some of the details when the legislation is introduced. I do take comfort from that, but I do feel that the department has been a long time in bringing it forward and I do believe it has been laced with resentment that they were even asked to do it and I think that shows. I am reminded this week that the minister's department has announced that it was going to be user-friendly, not because of any requests from members of Tynwald - and the minister knows I have had dialogue urging her staff maybe that they could do with being a little bit more consumer-friendly - but because of the Chief Secretary's political agenda, that it is nice to be friendly to the people who are your customers. I do not think this is being nice to our customers at all. I do take comfort in the fact that this administration is putting as a priority care of elderly people in the community in their homes wherever we possibly can, and if that is going against world trends so be it. Minister, in 30 years' time the rest of the world will catch up with us and revert back to it.

There is a tradition in the western world of excluding people from the family, and yet we all as practising politicians say that we have at the heart of our policy the family, and I think we could look at some of the less developed world, so-called, and see how they look after their elderly; they do not exclude them. And again I come back to the point that I made when I took part in the earlier debates: will we get away from the fact that people's houses are assets? They are their homes and there is a difference. And when the minister says - and I read it and I underlined it - 'It is anomalous to. . . required by its owner any different from any other capital holding, although this is what the department has been asked to do.' Well, of course, there are many things in life that are anomalous, even in a report. Why should it be 10 years? And, by the way, that is on the high side, I may add, because lawyers have been advising people over the years that it is seven years if you have disposed of your property. (*Mrs Christian interjecting*) Well, I can assure the minister - she shakes her head - I have seen recent letters where Manx lawyers have advised people that it would be seven years, but it is 10 years at least. This is a definitive document. I think it is on the high side, I really do, but that is anomalous. If I am a wealthy person I can quite easily arrange my affairs so that it does not affect me in any way, shape or form. We are dealing here with people of very modest incomes and, by gum, aren't we making sure that they will not get any more than modest incomes? I make no bones about it: I am concerned about families. I am concerned about sons and daughters, and if I do get angry it is because I deal with these people and I know how it has almost driven some people to Ballamona because of the threat because their mother now has

moved out and the house, having been visited by social security officers, is about to be sold. I do not take that lightly and I do not take lightly the part that I am playing as a legislator in not being able to deal with it.

Now, this goes some of the way, and I take recognition of what the member for East Douglas has said. It does go some of the way and the minister will be able to quantify there is a £1 million and that is not insubstantial, but I think it is being designed not to include . . . This is again - the minister knows that we have had our differences in the past - an attitude where we want to exclude people as opposed to include them, and I believe that we should be trying, where these problems arise, to include them, to make the quality of life of these people who have actually assisted and kept the family together. I do not think this report goes anywhere near but I am then driven back to what is on the agenda paper, and I do read that the Department of Health and Social Security are invited to progress legislation to implement the recommendations contained in the report. That does give me an opportunity to amend it if and when the legislation is coming.

So again, I am going to support the resolution but I am taking the opportunity very much to stress to the minister that I am extremely disappointed with the report and I do not believe that the opportunity has been given to alleviate those areas that I did try to illustrate to her the last time we spoke. I hope she will be able to persuade me otherwise, but I do not think they have been addressed in this report.

Mr Brown: Mr President, conscious of the clock I just really want to just get up and give some defence to the minister and her department based on, really, some of the comments from the member who last spoke.

I think we must recognise that this is not an easy answer; it is not an easy problem to overcome, and this issue has a major principle involved as well, because it is easy to say, 'Well, here is a family and here is somebody who has had to go into a residential home and we should not look at this major capital asset,' and we have all dealt with problems over the years where quite clearly it is very difficult to explain to people that their entitlement for supplementary benefit will be reduced or will be lost unless they realise their capital asset, and that is different than saying, 'You must sell your house or else you cannot stay in the home,' and to some degree that is what is said which causes a problem, and I have to say I have a recent case where there is a concern that the view is 'I have got to sell the house, I have no option'. That is not true and that is unfortunately what sometimes is said and, I have to say, indicated sometimes from officers. But, that being said, that is usually inexperience as against somebody who knows what they are dealing with.

But this problem is not an easy one to deal with; it is quite a difficult issue. As the minister has said, we are likely to be the only western country to actually make this sort of change, and I think we must say to the minister that whilst the hon. member for Council might not be happy with what is in this report, a lot of work has been done. If it was an easy issue to answer it would have been done quite quickly. Her predecessor dealt with it part-way through, if I recall, then it has been dealt with by the existing department and it is quite a problem.

It is going to cost a lot of money and I have to say I have great sympathy with the minister to say, where does this come in a list of priorities? Because, whilst it is difficult, there are people with no resources who do not even own the homes, many of them children, and

actually we could spend this £1 million or £1.6 million better to provide them with care, with support, where we are not able to fund that at the moment, and they are young children who need medical care either in the schools, for special needs or whatever, and we are not able to meet that demand. So one of the difficulties we all have as members is balancing all that up, because we can pick these off one at a time and keep saying, 'We will do this', 'we will do that'.

I have to say my biggest fear is that I believe at some stage in the future a Tynwald will sit here and will say we cannot continue to afford to fund this major, supplementary benefit system for the Isle of Man. The taxpayer is not able to do it unless we reduce other services substantially. That is my fear, and my fear from that is that other people in here will then come and destroy many of the good things we have done for the wrong reasons. It will be financially led as against need led, and I have to say, if we do not think that is true then you have just got to examine countries all over the world who have this problem: New Zealand is a classic where they had a major problem and they virtually just dumped what they had and started from scratch again, and my record again is clear. I have been a strong supporter of improving need, support for need and so on right across the board and I have to say that is my biggest fear - the future. How are we going to do it? I understand the minister's point of view and at least, because the department could have come back and said, 'We think nothing should be done', they have moved and said there is a way to deal with it. It might not be the perfect answer but it is a movement to try and at least assist those where there is a political concern and I hope that we will support the motion before us and maybe then at least make a step and see whether or not it is the right way forward for the Island.

Mr Gilbey: Mr President, the hon. minister's speech is clearly biased against this resolution in respect of the capital rules. There is no wonder to this because throughout the report there are arguments against the capital proposals, some of which he has referred to. Now, these are not lacings of vinegar, as the hon. member for Council has called them, they are lacings of the truth and they are so important that I shall refer to some of them from the report.

On page 7 it is clearly pointed out that a person does not necessarily have to sell their house; there are other ways of dealing with the problem. The house could be rented out and the rental income used to help care costs. The relatives who stand to inherit the house could contribute to the care costs. Advantage could be taken of one of the financial products on the market to safeguard assets and there are particular financial schemes which help with this.

Then if we turn to page 13, number 74, 'Future funding of long-term care is of course a worldwide problem. The Island's projected increase in the age 80 and over population is replicated elsewhere. It is therefore hardly surprising that the Department has been unable to identify any country that is proposing to inject substantial additional Government funding into the service. A prudent approach would dictate that the department should not either.' Now, the hon. member for Council, Mr Lowey, just dismisses that. He says, 'Do not worry about the rest of the world, we are not like them.' But I am glad to say in many ways we are like them, in that people are living longer throughout the western world, including the Isle of Man. The demographic forecasts show quite clearly that this will continue and there will be ever less people supporting the non-working part of the population. So we cannot just laugh and say this does not affect us; it does.

Again, on page 15 as a result of that, in 1982 it says, 'In making this proposal, however' - and this is in bold type - 'the Department does register its concern that it may be committing future Governments to a growing financial burden that it may be difficult to sustain.'

On page 17 and 97 it says 'In putting forward this recommendation the Department believes it is responding to the concerns of Honourable Members. However it is bound to register its concern that there is something anomalous in treating the capital value of a house no longer required by its owner any differently to other capital holdings such as investments.' How right this is. Why should there be a difference between two people who each have assets of £70,000 but one happens to have that invested in a house but the other may have it invested in any other kind of asset? They might have property that they were not living in that was leased out; they might have shares; they might have land.

Now, the hon. member of the Council, Mr Lowey, says houses are not assets. They certainly are. Of course, they are also homes and no-one would deny they are homes, but it is not necessary for a house to be owned to be a home. Are we saying that all those people who are tenants in the public sector, living in our rented accommodations, have not got homes every bit as good as the homes owned freehold? Are we saying that the trends throughout many parts of the western world, where more and more people are renting because they regard it as more convenient than owning, is entirely wrong? I think not.

Now, finally, the department clearly sets out on page 2 its reservations, which cover the points that I have made plus an additional one: 'the proposal will represent no more or less than a subsidy from the general taxpayer to assist in the process of transferring wealth from one generation for the benefit of the next.' Now, many people living in our own public housing, of which I am very proud - I think it is right we should have public housing - are paying income tax, and they are certainly all paying tax through indirect taxation. Why should they be subsidising someone who has got £70,000 tied up in a house being able to transfer that to their descendants? It seems to me an extraordinarily strange argument.

We should also, I believe, wait to see what changes are proposed for social security as a whole in the UK. If there were really major changes, they could affect us very materially and we certainly might not either have the money to make this change, nor might we want to because we do not know what is coming. The minister has made it very clear that this is not a departmental priority and I should have thought we were all quite clear that we have not got the funds available to spend on things that are not departmental priorities.

Now, I know it is easy to support this motion. It could be claimed it is very popular outside; it may be with people till they have heard all the arguments. It is clearly very emotive and can be made even more emotive. However, because recommendations are popular, or emotive, that does not make them correct and I do not believe that this recommendation is right, for the reasons that the minister has very clearly stated out in her speech, for the reasons that are so clearly set out in this document and virtually in each case are printed in bold type to underline them and for the points that I have referred to, and therefore I shall certainly vote against this if I am the only person in the whole Court to do so.

Mr Waft: Mr President, just briefly, my main point is the occupational pension scheme, which is not referred to in this book. I do realise that there has been a lot of work gone into it and appreciate the chance to look at the way the DHSS looks at the whole situation, and I do

appreciate the problems that are involved. However, with regard to the occupational pension scheme, if a family have gone through life's trials and tribulations over a number of years and the husband has paid into an occupational pension scheme, so reducing the amount of income coming into that household, if subsequently that man, if it is the man, goes into long-term care, the full occupational pension scheme is then taken into consideration, whereas if that chap was to get divorced, for instance, the wife as well as the husband would be entitled perhaps to half of that pension. I wondered if the minister would like to comment on that.

The members, I think, were mainly concerned with the family home, and that is what concerns most members. Most of the tribulations that are of concern to the people I have met anyway - and I deal with a lot of elderly people - are what happens. 'My son and daughter have been living with me all these years,' et cetera, and it has set out, it does allay their concerns to some extent, but I think we do lose sight of the fact that it is blurred perhaps when you come across a paragraph, on the top of page 18, and it says 'Part 2 - Deprivation of Assets' and 102 it says, 'The purpose of this provision is to try to prevent people with capital or income resources gifting them to relatives or recklessly disposing of them in order to qualify for supplementary benefit.' Now, I am sure that is a possibility, but I would think that to emphasise it like that looks as though, to put in the same paragraph - 'otherwise recklessly disposing of' - to recklessly dispose of them to your son or your daughter, it seems a very strange paragraph for that to be incorporated. It might have been somewhere else perhaps. There are people who always try and get round these situations to try and win one point over someone else. But I think the family home is the most important thing that everybody is concerned with, and I think if that problem can be alleviated within reason - I mean, obviously there will be people trying to get round it and there will always be, irrespective of what is in place.

I will be looking with interest, when the royal commission does report, as to how this Court will resolve that problem, whether we will go directly along with their recommendations or not but, as the hon. member Mr Lowey says, we do not have to follow everything they do in the UK. We always consider, when there is a reciprocal arrangement, that you have got to this, you have got to do that, you have got to do the other, but when there is room for manoeuvring we should be manoeuvring on the side of the Isle of Man residents. Thank you, Mr President.

The President: Reply, minister.

Mrs Christian: Mr President, I would like to thank those members who have commented on the report. As has been said, it is a fairly complicated issue to address and a lot of work has gone into trying to properly cost the proposals that the department has put forward.

Can I say to the hon. member Mr Braidwood, I hope that I have not misunderstood him but he seemed to imply in his remarks that this will cost £1.6 million in 2031. That is at today's prices so it will be many millions in that year. That is equivalent of £1.6 million today due to the growth in numbers. So what we are saying is, if we start -

Mr Braidwood: Yes, I knew it was an enhancement.

Mrs Christian: Right, I would just want to make sure that is clear because it was not coming across clearly to me from the remarks of the hon. member. So we are talking in many millions at that date.

The hon. member asks how many will be brought into the net in a couple of years' time. The department did, in the report, produce tables indicating the approximate numbers who would be involved, in appendix 2, as the years progress, on the basis, certainly, of assumptions of how many people would be home-owners and how many people would fall into the category that would be covered by these capital rules.

Now, if I could turn to the remarks made by the hon. member of the Council, Mr Lowey, who has described the report as mean and grudging and laced with resentment, can I say that that is not the way we would portray it. We are trying to indicate to the Court that there are very heavy financial implications in this proposal. The difficulty, I think, as far as the department is concerned is, whilst a member may be looking at it from the perspective of a certain group of people, as the hon. member always does, sustaining the argument in support of those people who have worked hard and got their house and it is the only family asset - and we can all sympathise with that - the department has to look at who else might come into this net, and I would suggest that you are wrong in interpreting the department's rules with regard to carers. It will not be confined to those people who are in receipt of allowances. It will extend to those who are not in receipt of allowances simply by virtue of the fact that they are earning more than the limit but, if they were not earning more than that limit, would be entitled to. So it is much more extensive than you are suggesting and it will allow those carers who do go out to work but stay at home to care for family to be exempted from the rules. Now, the department again was faced with a difficulty in that. However cynical you may regard us as being, I am afraid that staff in the department are faced quite often with the less attractive side of human nature, and we do know that people exploit and find ways round the rules and aim to manoeuvre the situation so that they are being treated at an advantage to other people. That is not fair to the general taxpayer or the person who has worked hard and saved for their house either. So we do have the problem of trying to have a fair system.

Now, the hon. member has also commented that the department has not been user-friendly but we have now got adverts. Yes, we have and I can tell you that is directly as a result of your observations and comments to the department - nothing at all to do with anything that the Chief Secretary has introduced.

Mr Lowey: That is what it said in the press this week -

Mrs Christian: Well, those adverts are nothing to do with the Chief Secretary, I can assure you, sir. Now, the hon. member has also said this is not friendly to our customers. What I am trying to say to you is, these are not our only customers. We have other customers. They also have needs and we are doing our best to try and prioritise those needs.

With regard to the seven-year rule, I am not sure where seven years has come from. There has never been a time limit specified in the current legislation, but certain perceptions develop about the time limits. What we are saying now is that we propose a time limit so people will clearly know that, if they have disposed of their assets 10 years before they make a claim, then that property will not be taken into consideration. Whether or not the Court agrees with that particular time span may be for them to determine, as you say, when we come to the legislation, but let us also remember that if we are the only community giving this additional facility there will be others in other places who will look at us and see this is a very attractive place to come and live if you can bring your assets here and protect them in this way and government will help you to hang on to them, and therefore we need to have an element, I

believe, of contribution to this Island community before we can assist, and I do not think that is unreasonable. So it is a question of where you draw that line.

One or two hon. members have said, 'We are only concerned about the family home.' How is that going to be defined? If we are only going to be concerned with the family home in terms of sons and daughters who actually live there, this certainly can be narrowed down very much narrower than we are proposing in the report. There is no consideration in this report about who the asset will be left to. It could be left to the dog's home or to some other charity, but if that is what hon. members are focusing on, only homes where there is a resident member of the family, indeed we can narrow it down, but as far as we were trying to interpret the will of members from the last debate, their will was to look at the home of the individual who was going into care. Now, again, we have come down to clarification of these issues when we get to the legislation if members wish to progress it. I do understand the arguments of families who have worked hard and purchased a home and naturally all of us want to do what we can to protect that, but at the same time we also have responsibilities in terms of looking after ourselves and our own families if we are going to need care. It is a question of balance and it is a question of fairness. In the tone of the report, we are simply trying to fire warning shots about the extent of the expenditure. We could have defined it much wider than this. It would have been enormously expensive if we had gone along the original motion of the hon. member Mr Braidwood, who wanted the value of the private home to be excluded altogether. Government could not sustain that sort of cost.

So, hon. members, the decision is with the Court. I am not opposed to the department progressing this and allowing members to further refine it when we come to the legislation stage. I beg to move.

The President: Hon. members, I will put the resolution as set out at item 16 on the order paper. Will those in favour please say aye; against, no. The ayes have it.

A division was called for and voting resulted as follows:

In the Keys -

For: Messrs Cannan, Rodan, Mrs Crowe, Messrs Brown, Houghton, Cretney, Braidwood, Mrs Cannell, Messrs Shimmin, Downie, Mrs Hannan, Messrs Singer, Bell, Corkill, Gelling and the Speaker - 16

Against: Mr Gilbey - 1

The Speaker: Mr President, the motion carries in the House with 16 votes being cast for and 1 against.

In the Council -

For: Messrs Lowey, Waft, Kniveton, Radcliffe, Mrs Christian and Mr Crowe - 6

Against: None

The President: In the Council, hon. members, 6 votes have been cast in favour of the motion, no votes against; I declare the motion carried.

Now, hon. members, that concludes the business on our order paper. Thank you for your patience in concluding it at this hour and the Council will now withdraw and leave the House of Keys to transact such business as Mr Speaker may place before them.

The Council withdrew.

House Of Keys

The Speaker: Hon. members, the House stands adjourned till Tuesday, 26th May at 10 a.m. in our own chamber.

The House adjourned at 1.22 p.m.