

**REPORT OF PROCEEDINGS OF  
TYNWALD COURT**

**Douglas, Tuesday, 28th April 1998  
at 10.30 a.m.**

Present:

The President of Tynwald (the Hon Sir Charles Kerruish OBE LLD (hc) CP). In the Council: The Lord Bishop (the Rt Rev Noël Debroy Jones), the Attorney-General (Mr W J H Corlett), Hon C M Christian, Messrs J R Kniveton and 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); Mr J D Q Cannan (Michael); Hon H Hannan (Peel); Mr W A Gilbey (Glenfaba); Mr S C Rodan (Garff); Hon D North (Middle); Mr P Karran and Hon R K Corkill (Onchan); Messrs J R Houghton and E A Crowe (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); Sir Miles Walker CBE LLD (hc), and Mrs P M Crowe (Rushen); with Prof T StJ N Bates, Clerk of Tynwald.

*The Lord Bishop took the prayers.*

**Apologies For Absence**

**The President:** Hon. members, we have apologies for absence from Mr Delaney, who is convalescing, and from the hon. member for Ayre, Mr Quine, and the House of Keys Chaplain, the Venerable D A Willoughby, both of whom are recovering after operations. I am sure all hon. members will join me in sending them our best wishes for a speedy recovery.

**Members:** Hear, hear.

**Tribute To The Late Rev Rex Kissack**

**The President:** Members will have been saddened to hear of the death of the Reverend Rex Kissack, former Chaplain of the House of Keys and friend to us all. I call upon Mr Speaker to pay tribute.

**The Speaker:** Mr President, Rex Kissack was a gentleman of sound straightforward thinking and basic common sense. He served as Chaplain of the House of Keys for five years during which time he became very well known to all its members. I say he became well known because in fact he was a true chaplain. He was diligent in his duty and he enjoyed the comradeship, particularly at our lunch table in the canteen on many an occasion. He was always interested in any explanation that a member may give of a particular point that had been made during a debate and those debates which he followed assiduously.

Those of us who attended his funeral last week could not help but be really impressed by the tribute which was paid to him by his son. This tribute covered a long life of service to the church and to the people, generally of the world and particularly in refugee areas.

As a member of the Methodist Church here on the Island I know personally of Rex Kissack's service and the fact that that service was of considerable benefit to the Methodist Church on the Island. He was welcomed in the pulpit throughout the Island.

When any members of this hon. Court were ill, he was always there, prepared to enquire and prepared to support and keep us all, as it were, forward-thinking and very much to the front.

Rex Kissack was a man of stature. He was a man of stature in the community and a man of stature in the church.

A comment was made at his service in the tribute that he enjoyed the walk from Glen Mooar through to Kirk Michael on a regular occasion. Kirk Michael became an area which he considered of extreme beauty and his true home.

Rex Kissack was a chaplain who served this Court and the Keys with distinction.

**The President:** The Lord Bishop.

**The Lord Bishop:** Mr President, the Island has many amazing features considering its size and its population. Not least is the number of residents quietly going about their lives who have made a considerable impact in wider areas than the Island in many branches of human endeavour: education, commerce, industry, the arts, the church, and so on. Rex Kissack is an example of this. Known to us in this hon. Court in his retirement years as an interested and active Chaplain of the House of Keys, we may be forgiven for not being aware to the full of his international contribution both to Methodism and church relationships. Let me this morning highlight two examples.

In 1955 Rex Kissack was in Rome charged with executing the plan to create an independent Italian church, not governed by British Methodism. It was a plan achieved so well by him that it became the model for other overseas territories - Nigeria, Ghana, Sierra Leone and those sorts of places - in a period when many former colonial countries were gaining their independence and the churches in general were following suit.

But Rex had obviously made an impression upon Roman Catholic churchmen at a time when only slight lip-service was paid to ecumenical matters. In 1958 John XXIII became Pope and a heady period began. Rex Kissack was well respected enough to become involved in discussions, careful negotiations and behind-the-scenes activities which were to add to the general impetus of Vatican II. He rubbed shoulders with people who were the grandees of the Catholic Church - Cardinal Bea, Cardinal Cushing, Monsignor (later Cardinal) Willibrand - and as a classicist, theologian and Italian speaker he more than held his own in that great gaggle and added in no small way to the changing attitudes among denominational leaders.

Just after Pope John's death in 1963, Rex and the family returned home and after two years in Colwyn Bay he was appointed Chairman of the Liverpool District. Here is the second example of far-reaching consequences to the ecumenical scene. No doubt because of his reputation in Rome, he immediately struck up a firm friendship and relationship with Archbishop Beck, the Roman Catholic successor to Cardinal Heenan, so much so that in 1975 the Methodist Conference met in Liverpool and held its celebratory worship in the metropolitan cathedral. Now, 20 years ago that was some breakthrough. It is not too much to claim that the Beck-Kissack relationship in a Liverpool of deep denominational distrust paved the way for the partnership of Bishop David Shepherd and Archbishop Derek Warlock, only recently ended and which enjoyed such a high public profile.

An appointment to look after the Methodist interest in Laxey may seem far removed from these heights, but Rex came to that and, ably supported by Elizabeth, loved the work, loved the people and loved the Island.

I consider it a privilege to have known him, if only for a short span of nine years, and on behalf of the Legislative Council to offer this inadequate tribute. We join with the House of Keys in honouring his memory and conveying our affection and sympathy to his widow Elizabeth, son and daughter, John and Christie, as well as other members of the family, in this their time of bereavement.

**The President:** Hon. members, let us stand in silent tribute to his memory.

*The Court stood in silence.*

**The President:** Thank you, hon. members.

### **Tabling Of Questions And Motions - Statement By The President**

**The President:** Hon. members, before turning to the business of the day I wish to express my concern at the growing trend on the part of hon. members to table questions and motions for consideration in this Court and, without waiting for either the answer to the question or the debate in this Chamber, promptly dash off to the media and expound on the issues they intend to present, and often the likely answers. This practice I regard as completely discourteous to the Court and I would ask that in future members bear this comment in mind.

### **Papers Laid Before The Court**

**The President:** I call upon the learned Clerk to lay papers.

**The Clerk:** I lay before the Court:

Investment Business Acts 1991 to 1993 -

Investment Business (Fees) Regulations 1998 (*SD No 137/98*)

Financial Supervision Act 1998 -

Collective Investment Scheme (Fees) Regulations 1998 (*SD No 138/98*)

Banking Act 1975 -

Banking (Fees) Regulations 1998 (*SD No 140/98*)

Income Tax Acts 1970 to 1991 -

Income Tax Exemption (Managed Banks) (Fees) Order 1998 (*SD No 141/98*)

Companies Acts 1931 to 1993 -

Collective Investment Schemes (Prospectus) (Exemption) (Amendment) Regulations 1998 (*SD No 88/98*)

Customs and Excise Act 1993 -

Dual-Use and Related Goods (Export Control) (Amendment) Regulations 1998 (Application) Order 1998 (*SD No 143/98*)

Aircraft Operators (Accounts and Records) (Amendment) Regulations 1998 (Application) Order 1998 (*SD No 73/98*)

Payment of Members' Expenses Act 1989 -

Members of Tynwald (Annual Expenses) Order 1998 (*SD No 156/98*)

Customs and Excise Management Act 1986 -

Customs and Excise Management Act 1986 (Mutual Assistance) Order 1998 (*SD No 181/98*)

Value Added Tax Act 1996 -

Value Added Tax Act 1996 (Mutual Assistance) Order 1998 (*SD No 182/98*)

Customs and Excise Acts 1986 -  
Excise Duties Order 1998 (*SD No 178/98*)

Pension Schemes Act 1995 -  
Pension Schemes Legislation (Application) (No.2) Order 1998 (*SD No 192/98*)

Social Security Act 1982 -  
Social Security Legislation (Application) (No.2) Order 1998 (*SD No 191/98*)

Misuse of Drugs Act 1976 -  
Misuse of Drugs (Safe Custody) Regulations (Application) (No.2) Order 1998 (*SD No 116/98*)  
Misuse of Drugs (Notification of and Supply to Addicts) Regulations (Application) (No.2) Order 1998 (*SD No 117/98*)

Food Act 1996 -  
Slaughter Regulations 1998 (*SD No 90/98*)

Electricity Act 1996 -  
Electricity Supply (Amendment) Regulations 1998 (*SD No 115/98*)

Superannuation Act 1984 -  
Gaiety Theatre and Summerland Superannuation Scheme 1998 (*SD No 113/98*)

High Court Act 1991 -  
Rules of the High Court of Justice (Small Claims Limit) (Amendment) Rules 1998 (*SD No 164/98*)

Coroners Act 1983 -  
Coroners Fees Order 1998 (*SD No 154/98*)

Reports -  
Council of Ministers Report on the Treaty of Amsterdam  
Council of Ministers Final Report on Island-Wide Economic Development  
Second Review and Update of the IRIS Master Plan dated April 1998  
Report of the Select Committee on the Petition for Redress of Grievance of Jean Noreen Thompson

Customs and Excise Management Act 1986 -  
Revenue Traders (Accounts and Records) (Amendment) Regulations 1998 (*SD No 79/98*)  
Excise Duty Point (External and Internal Community Transit Procedure) Regulations 1998 (*SD No 72/98*)

Value Added Tax Act 1996 -  
Value Added Tax (Amendment) (No.2) Regulations 1998 (*SD No 71/98*)  
Value Added Tax (Amendment) (No.3) Regulations 1998 (*SD No 80/98*)  
Value Added Tax (Refund of Tax) Order 1998 (*SD No 91/98*)

Social Security Pensions Act 1975 -  
Pensions Increase (Annual Review) Order 1998 (*SD No 114/98*)

Building Societies Act 1986 -  
Building Societies (Authorisation) (Fees) Regulations 1998 (*SD No 139/98*)

Child Custody Act 1987 -  
Child Abduction and Custody (Parties to Conventions) (Amendment) Order 1998 (*SD No 193/98*)

Gaming, Betting and Lotteries Act 1988 -

Crown Green Bowling Festival (No.1) Order 1998 (*SD No 69/98*)

Crown Green Bowling Festival (No.2) Order 1998 (*SD No 70/98*)

Government Departments Act 1987 -

Appointment of Members of Departments Instrument 1998 (*SD No 12/98*)

Merchant Shipping Act 1985 -

Merchant Shipping (Emergency Towing Arrangements) (Tankers) (Amendment) Regulations 1998 (*SD No 103/98*)

Appointed Day Order -

Cruelty to Animals Act 1997 (Appointed Day) Order 1998 (*SD No 200/98*)

European Communities -

European Communities instruments circulated during January 1998  
(*GC No 11/98*)

International Agreements -

International agreements which the Isle of Man Government has requested to be extended to the Isle of Man during the period 1st October 1997 to 31st March 1998.

Convention on Customs Treatment of Pool Containers Used in International Transport

International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea 1996 (HNS Convention)

Protocol to Amend the Convention on Limitation of Liability for Maritime Claims 1976 (LLMC Protocol)

Agreement on the Transfer of Prisoners between the United Kingdom and Sri Lanka

UK/Ireland Agreement on Early Notification of a Nuclear Accident and Radiological Release to the Environment

Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management

Council of Europe Convention for the Protection of Vertebrate Animals Used for Experimental and Other Scientific Purposes

Convention on Social Security between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Korea

International Agreements -

International agreements which the Isle of Man Government has requested **not** to be extended to the Isle of Man during the period 1st October 1997 to 31st March 1998.

Oslo Protocol on Further Reductions in Sulphur Emissions to the Convention on Long Range Transboundary Air Pollution

European Police Office (EUROPOL) Convention

International Labour Organisation Convention 111 - Discrimination in  
Employment and Occupation

**Bills For Signature**

**The President:** We have three Bills for signature, hon. members, and if you are agreeable we will continue our business while they are being signed. Is that agreed?

**Members:** Agreed.

**The President:** Thank you.

**British-Irish Council - Question By Mr Rodan**

**The President:** Hon. members, turning to the question paper, I call upon the hon. member for Garff, Mr Rodan, to ask the question standing in his name.

**Mr Rodan:** Mr President, I beg leave to ask the Chief Minister:

*Will the Isle of Man's participation in the proposed British-Irish Council be subject to Tynwald approval?*

**The President:** The Chief Minister to reply.

**Mr Gelling:** Mr President, the British-Irish Council is at this stage merely a proposal. It is a constituent part of the agreement reached in the multiparty negotiations on the future of Northern Ireland. We all hope that in the interests of peace that agreement will be ratified by the parties and implemented but it would be premature to make that assumption. At this stage, therefore, whilst we have seen the text of the agreement, we have not yet received an invitation in respect of the proposed Council and would not necessarily anticipate that invitation in advance of the ratification of the agreement.

I have circulated to members an extract of the agreement which deals with the proposed Council and that extract is the extent of our knowledge on the subject. Members will recognise that what is in the agreement offers little more than a skeleton of what is proposed and more detail will need to be provided before we have a full understanding of the implications of the Council.

On the face of it, therefore, the creation of the Council and the prospect of the Island participating in that Council are most welcome developments and I must say that I would regard it as inconceivable that our Island should turn its back on it.

Now, whether Isle of Man participation in the proposed British-Irish Council would require Tynwald approval is not a question on which I am able to offer a view at this stage. The answer will depend on the form and content of the invitation and what we learn further about the Council. My supposition is that, on receipt of an invitation, the Council of Ministers will consider how to respond to that invitation and in particular will consider whether Tynwald should be invited to endorse that response. Now, regardless of whether a specific Tynwald approval is warranted or not, we will certainly want to keep members up to date and informed about this interesting development.

**Mr Rodan:** Mr President, would the Chief Minister agree that should a formal invitation be extended to the Isle of Man, then before a decision is actually made by government a Tynwald debate is essential to allow our parliament to explore not only the undoubted plus sides to our being involved on the international stage but any possible downsides that might compromise our independence of action as an Island?

**Mr Gelling:** Mr President, I feel sure that having being invited to the table is something that is important to us in our own right as an Island and a jurisdiction within the

British Islands and I think it is important that therefore at this stage it has been stated that we will be part of that Council. However, we do not know at this time what in fact will be the agenda of that Council, whether in fact it will be a parliamentary input or whether it will be a government input, whether in fact it will be attended by a person or several persons or whether it will be by different departments of our government. So at this stage I would say that we are still in the early stages, members know exactly as much as I do, but certainly I think it would be of interest to this Court that we should debate the issue when we know more about it.

**Mr Lowey:** Would the Chief Minister not agree that there are various ways in which the Isle of Man could become involved and many of the ways the Chief Minister has illustrated? Could he bear in mind that the Isle of Man, with our pivotal position geographically with our near neighbours, could be a home for these talks if we do not decide to take part in them? There is an opportunity here for the Isle of Man to become, if you like, a Switzerland of the Celtic nations.

**Mr Gelling:** Mr President, I am quite sure the original questioner questioned there may be downsides and upsides, but I think at this stage we must consider the importance there could be for the Isle of Man being exactly, as the hon. member of the Council suggested, right in the hub of all these islands, and with the devolvement of Scotland and Wales and Northern Ireland, when this might happen it would be important that the Isle of Man at least was considered, and we made representation to the Home Office when we heard of the British Islands Council, which it was originally named, and I am just glad that they have invited us in our own right to participate in it, and I think the Isle of Man's profile could be enhanced by it and this is something I think we must consider.

**Mr Cannan:** Would the Chief Minister not recognise that the other members of the Council of the British Isles are members of the European Union, full members, whereas the Channel Islands and the Isle of Man are not, and would it not be appropriate to exercise caution so we do not compromise our relationship with the European Union?

**Mr Gelling:** Yes, indeed at this stage, as I have already explained, Mr President, it is difficult to know because we do not know the agenda. It could very well be that on the agenda of this Council could be only things relative to the British islands and their devolved arrangements at that time. So it is a bit premature to actually discuss what could be maybe dangerous or otherwise at this time, before we know what the agenda of the Council will be.

**Mr Rodan:** Mr President, would the Chief Minister agree that the agreement itself, when it talks of the British-Irish Council, states that, under item 11, 'The elected institutions of the members will be encouraged to develop inter-parliamentary links, perhaps building on the British-Irish inter-parliamentary body' and therefore, as there is a parliamentary dimension definitely proposed within the Council, then it would be entirely appropriate for this parliament to express a view as to its involvement?

**Mr Gelling:** Indeed, sir.

### **Incinerator - IRIS Sewerage Scheme - Costs - Question By Mr Karran**

**The President:** Question 2, the hon. member for Onchan, Mr Karran.

**Mr Karran:** Eaghtyrane, I beg to ask the Chief Minister:

*What way does your government intend to meet (i) the capital costs, and (ii) the revenue costs of -*

- (a) *an incinerator, and*
- (b) *the IRIS sewerage scheme?*

**The President:** The Chief Minister to reply.

**Mr Gelling:** Mr President, within the budget for 1998-99 the incinerator is included in government's capital programme on page 73 and the IRIS scheme is on page 102 and 103. Now, both are included as part of government's overall capital programme, and that is important. Both are included as part of government's overall capital programme and that is on page 23.

Now, a decision has not yet been taken to meet the capital cost of either scheme by anything other than government's capital account, hopefully without external borrowing, but that will depend upon the rate of the progress of these schemes and several other projects as to whether all can be accommodated without recourse to borrowing. Now, the Minister for Local Government and the Environment is presently considering various funding options for the incinerator, including that of design, build, operate and financing of the project by a third party: considering. Similarly, decisions have not been taken by this hon. Court as to whether the revenue costs will be met other than through the normal taxation methods, but bearing in mind that revenue costs will rise substantially when both of the projects are complete, I cannot at this stage rule out future revenue-financing methods by alternative means.

Now, government will only deviate from the accepted methods of financing capital and revenue with the express permission of this Court and to date no variations have been sought.

**Mr Karran:** Eaghtyrane, would the Chief Minister not agree that his Council of Ministers needs to come clean over this issue - it has the intention of charging a rate for incineration and for the IRIS system - and does he not think that his Council of Ministers should be clearly telling the people the truth instead of trying to hide the agenda regarding the financing of these lunatic schemes?

**Mr Gelling:** Well, sir, the schemes as expressed by the hon. member are schemes that this Court has sanctioned, they are schemes that this Court has agreed should go ahead. The financing of those schemes, as I have said in the original answer, has not deviated from what is the normal practice of this government, and where the hon. member is convinced that a rate will be charged, as I have said, at this time I have no knowledge of the certainty of a rate to be charged. I can only assume that the hon. member is looking at the cost of this and has himself assumed that a rate will have to be charged because of the capital cost and the revenue implications, but at this time, as I have said, there has been no decision made by this Court that that deviation should be made.

**Mr Karran:** Eaghtyrane, can the Chief Minister give an assurance to this hon. Court that regarding these schemes that have been ill thought out, if they are to be passed over to other statutory bodies, there will be a commitment that they will not end up with the liability of having to raise revenue, if not capital costs, in order to run these schemes in the future? Can he give an assurance that that will not happen?

**Mr Gelling:** I have to be extremely careful, Mr President, in agreeing with the member because he slips in 'these ill-thought-out schemes', so I cannot agree with the hon. member on that one. But what I can say is that this issue is something if we take the incineration, the mere fact of if an incinerator is built, where it is built. The northern parishes of this Island at the moment have to haul very short distances, so the rates in the south of

the Island are therefore measured on what the cost is to take the refuse from the south to the north. If the depositing area is moved, obviously the northern people will be looking for more rates, I would suggest, even if it was an open tip. So the situation at this time, I am sorry I have to reply to the hon. member, is we are not in a position to assure him that 'these ill-thought-out schemes' will other than be put forward in the normal manner that has been the policy of this government for the past years.

**Mr Karran:** A further supplementary, Eaghtyrane. Would the Chief Minister not agree that when talking about the existing costs as far as landfill is concerned and talking about the costs as far as incineration is concerned, we are talking at least a threefold if not a fourfold increase in those costs? Would he be able to tell this hon. Court that the fact of the matter is it is going to have to go up by an awful lot of money in order to finance an incinerator in particular? Will he make sure that there is adequate finance available within government to make sure that then it is not levied as a rate onto the people of this Island?

**Mrs Hannan:** Like the Water Authority.

**Mr North:** What about the Water Authority?

**Mr Cannan:** What about water in Little London?

**Mr Karran:** That is what I am trying to do, sir, protect the water ratepayer.

**The President:** Hon. members.

**Mr Gelling:** Mr President, I think if we went back 20 years ago we would find that we were, I think it was said many, many times, getting rid of our refuse on the cheap, and we were because we were tipping it in holes; as we well know, on the south of the Island every quarry has been tipped and there is no filtration of gases or whatever, and it was done on the cheap. If you compare what it costs us today, what we have to pay, it is enormous compared to what it was in those days. So I would have to agree with the hon. member: it will cost us more. But that is the truth of the matter. It is going to cost us more to get rid of our refuse in a proper manner, and I think that is something that we will have to face: it will cost us more.

### **UK Lottery Tickets - Question By Mr Crowe**

**The President:** Question 3, the hon. member for Douglas North, Mr Crowe.

**Mr Crowe:** Thank you, Mr President. I beg leave to ask the Minister for the Treasury:

*Have you yet been able to reach agreement with the UK Government to allow sales of UK lottery tickets in the Isle of Man?*

**The President:** The Minister for the Treasury.

**Mr Corkill:** Thank you, Mr President. The Treasury is engaged in continuing discussions with the United Kingdom Department for Culture, Media and Sport, the United Kingdom Treasury Solicitor's Department, the United Kingdom national lottery regulator, Oflot, and the operator, Camelot. The most recent discussions took place just four weeks ago and I am still awaiting a response from the United Kingdom authorities concerned.

Treasury's priority is to ensure that good causes on the Island will benefit if sales of UK national lottery tickets are to be extended to the Isle of Man.

If the current discussions are successful I will of course advise members and it will be necessary to introduce appropriate amendments to our legislation to permit UK tickets sales on the Island.

**The President:** A supplementary, sir?

**Mr Crowe:** I would just like to thank the minister for his reply.

**Mr Karran:** Eaghtyrane, would the minister inform this hon. Court, have there been any persons or organisations who have made representation to set up a privately run lottery within the Island, and can he give an assurance to this hon. Court that if such organisations come forward they will be given a fair opportunity to give their case as far as the setting up of the Manx lottery again?

**Mr Corkill:** It is certainly true, Mr President, that in the wake of the problems of the Isle of Man lottery a number of interested parties have shown an interest in setting up a private lottery within the Isle of Man under the present form of legislation, but at the moment the Treasury is pursuing the option of the United Kingdom lottery sales of tickets on the Island and we will see what package can be put together in that respect, but there is no intent to sideline anyone on this issue.

**Mr Singer:** Mr President, could I ask the minister whether these continuing discussions with the UK Government are independent discussions or are we grouped together with places like the Channel Islands and other places who might also wish to introduce a lottery?

**Mr Corkill:** These discussions have been initiated by the Isle of Man Treasury, Mr President. We are not lumped in with any other jurisdiction as far as I am aware because, unlike ourselves, they would not be in a position to even negotiate this type of package whereby benefit could actually come to the Island. Therefore I believe these negotiations are unique to the Isle of Man.

#### **Petrol And Diesel Fuel - Duty Increase - Question By Mr Duggan**

**The President:** Question 4, the hon. member for Douglas South, Mr Duggan.

**Mr Duggan:** Mr President, I beg leave to ask the Minister for the Treasury:

*What is the anticipated revenue advantage to the Isle of Man of the increase in duty on petrol and diesel fuel?*

**The President:** The Minister for the Treasury to reply.

**Mr Corkill:** Mr President, the hon. member Mr Duggan may remember that a similar question was in fact raised by the hon. member for Garff on 24th February 1998 in the House of Keys. My answer is broadly unchanged. The additional revenue to be collected for the current fiscal year will be in the region of £1.6 million plus VAT in respect of the increases in duty rates made to the hydrocarbon oils.

This increase can be explained as being the cumulative effects of increases in July 1997 and in the United Kingdom Chancellor's budget of March this year. Together both increases have the effect of raising the additional revenue already mentioned in the current financial year.

As part of Treasury's budgeting process, estimates are made as to the likely changes of duty rates. The duty rates that were announced were in line with the estimates, thus there is no additional or unexpected revenue advantage.

**Mr Duggan:** A supplementary, Mr President. Can the minister indicate to the Court what income is expected with his move in budget time to scupper the lead-free rebate? Does he not think, in the interest of the environment, the rebate should have remained intact?

**Mr Corkill:** From memory, Mr President, I believe that the unleaded rebate that was removed by a vote of this hon. Court at budget time was in the order of some £300,000 approximately, but this decision was made on the basis and in the light of an independent commission which concluded that the rebate was not necessarily being passed on to the consumer. Now, having said that, obviously Treasury will be monitoring the impact of such a change and it is my belief that the use of unleaded fuel is more driven by vehicle design rather than any other purpose.

A new development in recent times has been the environmental concerns regarding diesel fuels, and this is another area, environmentally, that I am concerned with because it may be that there is the ability to import a low-sulphur diesel fuel which may be better environmentally.

So I understand the hon. member's concern from the environmental point of view but it was never clear, based on evidence produced independently, that in fact the rebate was of benefit to the consumer.

**Mr Downie:** Mr President, given that the minister has indicated that he has concern about emissions from diesel engines, would the Treasury be prepared to consider a rebate on the introduction of a low-sulphur or green city diesel fuel into the Island, and would he be prepared to open up dialogue with any of the present importers with regard to the introduction of a rebate for low-sulphur diesel?

**Mr Corkill:** I think, Mr President, that is an interesting situation. There is no city diesel available on the Island at the moment and I think it would be prudent for discussions to take place with the industry to see what the logistics are of using such a fuel, not just economically, but also the logistics of importing such a fuel. I agree with the hon. member.

**The President:** Do you wish to ask a further question, hon. member?

**Mr Duggan:** I just want to thank the minister, sir, that is all.

**The President:** Thank you.

#### **Disc Parking Zones - Extension - Question By Mr Downie**

**The President:** Question 5, the hon. member for Douglas West, Mr Downie.

**Mr Downie:** Thank you, Mr President, I beg leave to ask the Minister for Transport:

*When do you envisage the introduction of an extension of the disc parking zones to include the Albany area of Douglas?*

**The President:** The Minister for Transport to reply.

**Mr Brown:** Mr President, although my department has included in its 1998-99 budget for modest extensions to the disc parking zones of Douglas, I would advise the hon. member that with one exception I do not intend to implement these extensions until I am satisfied that adequate numbers of parking controllers are in post to undertake the necessary enforcement. It is my intention that my department enter into discussions with the Department of Home Affairs with regard to the employment of additional parking controllers to ensure that there will be an acceptable level of enforcement throughout the whole Island.

**Mr Downie:** I would like to thank the minister for confirming that his department will not be introducing or extending further areas of disc parking until additional car parking controllers have been appointed, but is the minister satisfied that this is a proper and cost-

effective policy to control on-street car parking in Douglas, and does he not think that the revenues that the car parking controllers bring in greatly outweigh their ongoing costs?

**Mr Brown:** Mr President, I am not really sure what the member means by cost-effective. The whole basis of providing disc parking zones in the town of Douglas and other areas is to ensure that we do not have people parking all day on the streets and that where it is appropriate there is actual time-limited parking to enable businesses to flourish and of course to enable people to get near other properties.

**Mr Shimmin:** Mr President, I would like to thank the minister for pointing out that he is prepared to make one exception in this circumstance. I like that policy for the department to adopt.

I would also ask whether he is aware of a meeting to be taking place between the members for West Douglas and the department on Thursday of this week and would ask whether the minister himself is going to attend or whether there will be any political representation from the department.

**Mr Brown:** Mr President, as the hon. member will recall, although he was unwell at the time, I did have a meeting with the members for West Douglas and I in fact met Mr Downie, the hon. member for West Douglas. I am aware of the meeting that is taking place this Thursday, and the member with responsibility for highways and traffic within my department, the hon. member for Ramsey, Mr Singer, will be there. I will not because, as the hon. member will be aware, Thursday is Council of Ministers day.

**Mrs Cannell:** Mr President, can I ask the hon. minister, with regard to the disc parking zones, when he will be in a position to review those aspects of the disc parking zones that are in the East Douglas area of Douglas?

**Mr Brown:** Mr President, when a new disc parking zone is implemented the department usually assesses after six months the effectiveness of that zone and takes on board any points that have been raised either by members of Tynwald for those areas or by the public and that matter is therefore then considered by the highways and traffic division. Of course all these areas are continually monitored as problems arise and as we sometimes may be able to do, we can relax some parking restrictions or if necessary increase those restrictions, so it is an ongoing process.

**Mr Cretney:** Mr President, could I ask the minister, given the representations which he has obviously had from all sections of Douglas in particular, where the one exception may be this year?

**Mr Brown:** Mr President, the one exception at the moment is South Douglas, up at the top of Douglas Head Road, where there are specific problems arising and where a new development is presently under way and once that development has been finalised and we know the parking requirements that will be available there, then the department will look at implementing that area.

**Mr Braidwood:** Mr President, would the minister, as he has made one exception for the Head Road in South Douglas, make another exception which is Castlemona Avenue in Douglas, which would be easily monitored because it is very near to another zone now which is Bathurst zone and also by Broadway?

**Mr Brown:** Yes, I am aware that the hon. member for East Douglas, Mr Braidwood, has been in correspondence with the hon. member for Ramsey, Mr Singer, in his role as member responsible for highways and traffic, on this issue and again I am not going to give

any promises until we as a department are satisfied that when we are implementing zones there is adequate enforcement; otherwise it means that the zones are discredited.

**Mr Downie:** Mr President, I would like to ask the minister that given the level and input from the members of Douglas with regard to this particular issue today, can the minister see a way of addressing some of these car parking problems in Douglas and is he prepared to give some time to addressing some of these car parking problems in Douglas, and does he agree that unless we get some more parking controllers into the town a lot of the areas in Douglas will suffer because of lack of progress with this traffic and parking management strategy that his department has?

**Mr Brown:** Mr President, I think it is fair to say that as far as giving Douglas some time, the department gives Douglas maybe more time than it gives to other areas of the Island in trying to deal with these problems, and certainly the member with responsibility in the offices from highways and traffic spend a considerable time trying to deal with the traffic pressures that are put on the town of Douglas which affect people living within that town, and the clear answer is that until we have some more multistorey car parks and some level car parks in certain areas to provide adequate car parking for those who work in the Town of Douglas, this problem is ongoing, and I would also make the point that the problem that Douglas has is not unique to Douglas.

**Mr Karran:** Eaghtyrane, does the minister not agree that the time has come for a cross-department meeting as far as the parking problem in Douglas is concerned, and would he not agree that it would be better to give free public transport in Douglas and Onchan which would help, if not resolve, would ease the problem of parking zones not just in the Albany area but in Douglas as a whole, and will he take on board this request to see whether something can be done, looking at the issue of getting free transport in the Douglas and Onchan area?

**Mr Brown:** Mr President, firstly my department continually has interdepartmental meetings with regard to the traffic problems in Douglas, and the hon. member has only recently been circulated the annual report from my department regarding the Douglas transport strategy which identifies what work has been going on at officer level and the recommendations that have been made in that document.

As far as the problem of free bus transport is concerned, as the hon. member has been told on many, many occasions in questions in this hon. Court, free transport is not necessarily the answer. One of the things that people want is a more regular form of public transport, a good quality form of public transport, and also again I would make the point: why should it only be free within the Douglas and Onchan area? People do live outside those two areas.

### **Douglas Transport Strategy Proposals - Additional Finance - Question By Mr Downie**

**The President:** Question 6, the hon. member for Douglas West, Mr Downie.

**Mr Downie:** Thank you, Mr President. I beg leave to ask the Minister for Transport:

*What additional finance has your department sought for the purpose of progressing the recommendations outlined in the Douglas transport strategy proposals as identified in sections 10C and 10B of your annual report?*

**The President:** The Minister for Transport to reply.

**Mr Brown:** Mr President, with reference to section 10 of the Douglas transport strategy annual report, which states, and I quote, 'A capital works programme should be established intended to finance increased car parking and improved highway infrastructure', my department put forward proposals for the provision of capital funds for significant highway improvement schemes in line with our strategy. The amount requested was £11,435,000 over the five-year capital programme period, which is now included in the capital programme approved by this hon. Court. However, as the hon. member will be aware, as from 1st April 1998 the responsibility and funding for off-street car parking was transferred to my department from his department, the Department of Local Government and the Environment. Whilst the transfer did not involve any proposals to advance any off-street car parking schemes, financial provision has been made totalling £6,686,000 of which £1,96,000 is available for this financial year, that is, the year 1998-99, with the remainder being projected over the next four years.

It is my department's intention to endeavour to identify suitable sites in and around Douglas which may be appropriate for off-street car parking.

My department has provision within our capital budget for major highway improvements for Douglas, to improve traffic flows and relieve congestion. The capital budget for this is £8,205,000, projected to be expended between the financial year 1998-99 and the financial years 2001-2.

In addition to this capital provision my department also has £3,230,000 to enable a new harbour road bridge incorporating a water retention provision from the South Quay to the North Quay to be constructed as an essential first link in improving the Douglas highway network and easing the flow of traffic in and out of Douglas in this area, and I hope to be in a position to seek Tynwald approval at the May sitting.

A total of £18,121,000 is therefore included in the five-year capital estimates to progress increased car parking and improve the highway infrastructure of Douglas. Also, in my department's revenue budget for 1998-99 there is an allocation of £1,390,000 for general highway work within the Douglas area.

With reference to section 10B of the annual report, this is a matter relating to public transport services, and my department will continue to provide support to the Department of Tourism and Leisure in its endeavours to improve that service.

**Mr Downie:** Mr President, I would like to thank the minister for his very comprehensive reply, but when will he be coming to Tynwald with the first of these packages tailored to address some of the recommendations contained in the Douglas transport strategy?

**Mr Brown:** Mr President, the matter of the ongoing expenditure for highway works in my department is a matter carried out by my department and as far as I am aware these items do not need specific Tynwald approval, as they were approved as column 2 items.

### **Vehicles - Weight Restrictions - Question By Mr Houghton**

**The President:** Question 7, the hon. member for Douglas North, Mr Houghton.

**Mr Houghton:** Thank you, Mr President. I beg leave to ask the Minister for Transport:

(1) *Do you intend to impose restrictions on the weight of vehicles on rural roads;*  
and

(2) *if so -*

- (a) *what will be the maximum permitted weight of such vehicles,*
- (b) *to which roads will weight limits apply, and*
- (c) *what provision will be made for agricultural and delivery vehicles?*

**The President:** The Minister for Transport to reply.

**Mr Brown:** Thank you, Mr President. I can confirm that I have requested my department's highways and traffic division to undertake a study and report on how my department can stop large heavy vehicles from using the Island's rural road network. It is my intention to introduce not only weight restrictions but also width restrictions to stop the present situation where many of our small country roads and their adjacent boundaries, which include many ancient hedges, are being damaged.

I am not prepared to permit the present situation to continue, especially where our country roads are being used as short cuts by large commercial vehicles. It is my intention in the first instance to stop the rural roads being used as short cuts. However, for the restrictions to be effective it will also impose on agricultural and delivery vehicles. I intend to make access available to agricultural holdings for agricultural vehicles and to such other vehicles that need to have access to agricultural holdings for deliveries et cetera and of course for collections and this will be done by the issuing of permits. Provision also will be made to ensure that there is access to other properties in such areas.

It is my department's intention to consult with the relevant local authorities, trade organisations, including the agricultural trade, prior to the implementation of any proposals. There will also be the necessity for us to comply with the statutory provisions which my department will be having to comply with before initiating any changes.

**Mr Houghton:** Mr President, I thank the hon. minister for his reply, but does the hon. minister not agree that the imposition of weight restrictions on these roads is impractical and would it not be more acceptable for those owners of large vehicles, who are already paying very large road fund duties, if your department would consider commencing an improvement programme to those roads that are so affected? Thank you, sir.

**Mr Brown:** Mr President, I am pleased to answer the hon. member on that by saying that I am not willing to destroy the countryside of the Isle of Man for vehicles. (**Members:** Hear, hear.) I believe there is absolutely no support for us devastating our country roads for the vehicle. My view is quite straightforward. We have designated routes, which are the main routes of the Isle of Man, for the very large vehicles and after that those who operate large commercial vehicles should gear down their vehicles to suit the Isle of Man and we should not make the Isle of Man suit their vehicles.

**Mr Karran:** Eaghtrane, could the minister first advise this hon. Court what he classes as a rural road, and would he not agree that if pseudo mud tracks in my constituency are now being put weight restrictions on, does he think that maybe his department would be better trying to look after the roads that are recognised as public highways than putting weight restrictions on dirt tracks, nothing better than dirt tracks, in my constituency?

**Mr Brown:** Mr President, may I make it clear I am not talking about dirt tracks, I am talking about all the roads off the main trunk roads of the Isle of Man, and we are talking about the B roads and the C roads.

Recently I am sure members of this hon. Court and members of the public will have seen large gouges out of many of our large hedges. They will have seen many of our drainage systems at the side of the road with tyre marks in them and they will have

witnessed large articulated wagons driving down these roads. In fact last week I was coming on the Old Castletown Road to find a large articulated wagon, which is being used to teach people to drive in, driving up a road which is totally inappropriate for such a vehicle, and it is my view that this should be stopped.

**Mr Downie:** Try Douglas any Sunday morning.

**Mr Lowey:** Could I invite the minister, sir, in welcoming his views regarding weight and width, to include speed in those, and could he tell us how they are going to be enforced as they are not being enforced, at the moment? How does he intend to enforce these what I would call welcome proposals of his on weight and width?

**Mr Brown:** As the hon. member of the Council will be aware, it is not my department's role to enforce highway regulations, my department's role is to make them, and clearly I will do what I believe is in the best interests of the Isle of Man overall. It is then a matter for the constabulary to police any violations of restrictions that are in place. Clearly the vast majority of those who drive on the roads of the Isle of Man respect the law and it is therefore a matter that will clearly be in the hands of the police.

**Mr Bell:** Mr President, could the hon. minister explain firstly if any special provision will be made for the fire services if this policy is adopted, not only in terms of attending emergencies, but where the fire tenders are frequently used on routine business such as checking fire hydrants and checking the fire precautions in a number of parts of the Island, and secondly, could the hon. minister explain how this policy will be applied in areas such as Jurby and in the areas also shortly such as Andreas which are being developed as industrial estates and will clearly be needing from time to time heavy vehicles delivering or removing goods from both of these areas, as both these areas I guess would be considered as having rural roads as the main routes to and from them?

**Mr Brown:** Mr President, first to answer the emergency services, it is normal practice for emergency services to be exempt from such restrictions and therefore I do not envisage any problem at all on that. I would say, however, that there are occasions where sometimes the fire appliances could do with being slightly narrower, and that is a matter of course for the minister who asked the question, for his department.

As far as the Jurby and Andreas areas are concerned, both of these areas already have designated routes to these areas to allow access to them, and I would make it clear that where there is a need for special provision in an area that will be restricted, then an application can be made for a permit as a one-off and that will be considered and if there is no alternative, then of course a permit would be issued.

**Mr Karran:** Eaghtyrane, would the minister not agree that many in this Court would support his policy as far as protecting rural roads, but does he not agree that when you start putting weight restrictions on roads that are not made up, that are classed between a C road and a green road, it brings his policy into some dispute as far as that is concerned, and will he look at the likes of these roads, particularly the road in the vicinity of Begoade Road, which I never realised was a public road, which has now got a weight restriction, and would he also look at the possibility of banning heavy vehicles and slow-moving vehicles off the roads at peak congestion times in the Island as a whole as a way of easing the problem that we have got with these vehicles in the first place?

**Mr Brown:** With regard to the last one, Mr President, as the hon. member for Onchan, Mr Karran, is aware, I have recently corresponded with him on this issue of trying to stop slow-moving vehicles and large vehicles being on the roads at peak times. It was

also explained that there are some practical difficulties with that and that it is an issue that is being considered by highways and traffic and the police at the moment to see if there is any way to overcome it.

As far as the issue of this mud lane that the hon. member keeps going on about, I am not sure about that at all and certainly it would be a matter that would be considered by my department if it is in fact an adopted road which is under our control, and clearly, as far as the issue of restrictions is concerned, once a restriction is there, which is put there legally by my department, anybody who contravenes that is breaking the law and can be dealt with by the courts.

**The President:** The final supplementary on this one from the hon. member for Michael.

**Mr Cannan:** Can I advise the hon. minister that the main road from the Jurby airport out of Jurby to Ramsey and to all towns in the Isle of Man is an A road and all that needs to be done is a policy from his department to make proper use of Jurby airport and use the roads that are designated for that purpose.

**The President:** That is a statement, so I will take the final supplementary from the hon. member Mr Braidwood.

**Mr Braidwood:** Thank you, Mr President. Will the maximum weight of the vehicles vary depending on the number of axles on the vehicle?

**Mr Brown:** Mr President, I am not in a position to give such detail at this stage, because I have asked for a report from highways and traffic on this whole issue and it will be for them to assess the law as it is today, where it is appropriate for such large vehicles to be, which generally is on our designated routes, and any restrictions will then be brought in, taking into account what we need to do. From my point of view, what is of paramount importance is to protect what I class as the rural roads, the country roads of the Isle of Man which people enjoy, and they do not wish to be confronted by large vehicles going down through those roads and also do not wish them to damage them.

#### **Parking Controllers - Question By Mr Downie**

**The President:** Question 8, the hon. member for Douglas West, Mr Downie.

**Mr Downie:** Thank you, Mr President. I beg to ask the Minister for Home Affairs:

- (1) *What is the reason for the reduction in the number of parking controllers' posts within your department; and*
- (2) *how much has been paid in fines over the last five years?*

**The President:** The Minister for Home Affairs to reply.

**Mr Bell:** Thank you, Mr President. In answer to part (1) of the question, the number of parking controller posts within my department has temporarily been reduced from eight to six. There are two reasons for this reduction.

Firstly, one parking controller resigned at the end of 1996 and this brought the number of posts down to seven. The vacant post was advertised, with 41 applications being received. Unfortunately, of this number only one applicant was found to be suitable and ultimately this person declined to accept the position when offered. In April 1997 a second parking controller resigned, reducing the number in post to six. As it had not been possible to find a suitable candidate out of a relatively large number of applicants the

previous month it was decided not to readvertise the vacant posts and at that time to leave the vacancies unfilled.

The second and interrelated reason is that the organisational review of the police service, which reported in the spring of 1997, recommended the creation of a number of new civilian posts in the police service. Two of these posts were regarded as extremely important and to enable these posts to be created it was decided to use the vacant parking controller posts to provide the required manpower provision.

Contrary to recent media reports, my department has not used the funding for the parking controller posts to fund new posts at the prison or for any other purpose. We have retained budgetary provision for eight parking controllers, but at the moment only have manpower provision for six. My department will, in formulating its policy submissions for the next financial year, which we will be doing in the near future, be considering the possibility of adding two posts to our establishment to enable the vacant parking controller posts to be filled again if suitable applicants can be found.

The answer to the second part of the question - the amounts paid in fines over the last five years are as follows: 1993-94, £286,836; 1994-95, £267,441; 1995-96 £314,352; 1996-97, £290,526; and 1997-98, £245,549.

**Mr Downie:** I thank the minister for his full and comprehensive reply, but is the minister aware that the reduction in the number of traffic controllers is being used as an excuse by the DoT not to implement disc parking zones and is he aware that this policy is having an adverse effect on the traffic management regime in Douglas and in the rest of the Island, and is he not concerned that lots of police time and fire services time are put into formulating some of these traffic management situations and is there a way that the two departments can come together and address this situation with some urgency?

**Mr Bell:** Mr President, I have to say I was not aware that the Department of Transport had suggested that the lack of parking controllers was a reason for not applying some of the improvements which are required to parking in the Douglas area, but I can certainly give the hon. member the assurance that I will immediately arrange for my department to contact the Department of Transport to talk through the problem and see if we can find an early solution to the difficulties.

**Mr Cretney:** Hear, hear.

**Mrs Cannell:** Mr President, would the hon. minister not agree with me that perhaps one of the reasons why people are not taking the opportunity of applying for the job of parking controller is due to the very low salaries that are paid by the department, and would he not consider improving that situation when he considers actually advertising for perhaps the sixth one who is needed to support the five who are presently in employment, and in addition to that does the hon. minister have any idea of what the comparable salaries are for traffic controllers elsewhere, including the UK?

**Mr Bell:** Mr President, as the hon. member already fully knows, we have been very unhappy with the level of pay for the parking controllers. We have in the last few months been in negotiations with the Transport and General Workers Union to bring the parking controllers' salary at least up to the equal level of their counterparts in the United Kingdom. This has now been agreed, there is now a new salary scale in operation and any new parking controllers appointed will be paid the enhanced salary.

**Mr Singer:** Could I ask the hon. minister would he agree that because the parking controllers rarely visit areas other than Douglas this does encourage the flouting of parking

restrictions in those areas outside this town and that he does have the support of this Court in the speedy recruitment of more controllers?

**Mr Bell:** Yes, even at full strength, Mr President, we only have eight parking controllers to cover the whole of the Isle of Man and with the extended disc parking zones in Douglas, obviously there are more and more pressures on those individuals to ensure effective parking.

I appreciate the feeling of the Court that they would like to see more parking controllers in operation throughout the Island, but I can only repeat the earlier part of my answer. We have had extreme difficulty in attracting anyone into those posts. It has, anyway, not been a very highly paid job and obviously is not perhaps for a lot of people a very attractive proposition, given the aggression from time to time which is shown towards the traffic wardens. But certainly we will be looking in the near future to reinstating the two posts and I hope, together with co-operation with the Department of Transport, we will be able to find an effective way of improving policing and parking on the Island.

**Mr Downie:** Could I ask, Mr President, firstly, what is wrong with the police taking on some of this role on occasions, particularly during the daytime? Are these offences ones which the police can get involved with? And can the minister perhaps indicate to the Court when his department intends to advertise in the local media for recruits for the traffic control division and is the £1/4 million that is paid in fines paid into the Home Affairs budget or are the fines now paid direct into the Treasury?

**Mr Bell:** Mr President, I think hon. members will recall that it is not very long ago that the police were severely criticised by politicians and the public at large for harassing motorists for their parking rather than pursuing villains involved in criminal activity. We have to accept that we cannot have it both ways. There may be an opportunity, perhaps, to review the involvement of police with parking controllers in the future but I think it is something we would embark on with some caution, bearing in mind the demands which the public are placing on the police at the moment for more effective policing elsewhere. I think there would be some strong criticism if in fact highly trained, expensively trained, police officers were used as parking controllers in Douglas or any other part of the Island.

At this stage I cannot give any specific timetable for recruiting the new parking controllers. We will need to discuss that with the manpower control committee and it will be certainly later on this year, I think, before we are in a position to advertise.

As far as the fines are concerned, up until the end of the last financial year, that is 1997-98, the fines were paid directly into the Department of Home Affairs but with the agreement and co-operation of Treasury, from this year onwards all the fines will go direct into Treasury, and the Department of Home Affairs will be compensated by a fixed figure as part of our budgetary allowance, like every other department.

**Mr Lowey:** Could I ask the hon. minister what are the qualifications to become a traffic warden, if he had 41 applicants and only one of them was suitable? Do they have to have a PhD and a black belt in karate and will the training centre put on courses?

**Mr Bell:** I think they have to have a great deal of patience and perseverance with the job. If the hon. member is interested in the job description, I would be glad to send him one. *(Laughter)*

#### **Prison - Proposed Extension - Question By Mrs Cannell**

**The President:** Question 9, the hon. member for Douglas East, Mrs Cannell.

**Mrs Cannell:** I beg to ask the Minister for Home Affairs.

*Are you aware of negotiations having taken place, or in immediate contemplation, with the owners of properties in the vicinity of the Isle of Man Prison, relating to a proposed extension of the prison?*

**The President:** The Minister for Home Affairs to reply.

**Mr Bell:** Mr President, the Department of Local Government and the Environment, on behalf of my department, has recently purchased two cottages in the lower part of Linden Grove which have been privately owned but which form an integral part of the Eastcliffe site which is, as the hon. member knows, owned by government. If the prison is redeveloped on the Victoria Road site we will need to extend into Eastcliffe and we will need the land on which the two cottages are situated for this purpose.

The Department of Local Government and the Environment intend to convey these cottages into the ownership of my department but if the prison is not redeveloped in this area and the two cottages are not required for any other purpose by my department, it is likely that they will be reconveyed back to the Department of Local Government and the Environment.

The Department of Local Government and the Environment has also purchased the former Manx Telecom depot which lies between Linden Grove and Victoria Avenue. This site has since been conveyed to my department and will also be required for prison purposes if the present prison is redeveloped and extended. Again, part or all of this site will have to be reconveyed to the Department of Local Government and the Environment if my department eventually decides that it has no use for it.

Other than I have mentioned, no properties in the vicinity of the prison have been purchased by or on behalf of my department and no negotiations to purchase any other properties have taken place or are currently taking place.

I would add that the two areas of land which have been purchased are strategically placed and it is desirable for them to be in government's ownership, irrespective of whether or not they are required for the purpose of redeveloping the prison. The fact that they have been purchased does not mean that a decision has been taken to redevelop and extend the present prison. As stated in answer to a question in another place earlier this month, it has yet to be decided whether the present prison should be redeveloped and extended or whether a new prison should be built on a greenfield site.

**Mrs Cannell:** Thank you, Mr President. I thank the hon. minister for his quite frank reply to the question but can I ask him, are we to understand then that his department has the first option on these particular sites, being the two pieces of land occupied by properties bought by the Department of Local Government and the Environment and if that is correct and he can agree with that, that his department does have first option, how long will that option run for and when will his department come to some kind of definitive decision as to whether or not it is practical and desirable and economically viable to either expand, taking in these sites, or to go to a greenfield site? When will he be able to come forward with a solution and a proper answer?

**Mr Bell:** As I said in my answer, I think, if the hon. member had listened to me, we are having the lands, the various properties, transferred to my department and therefore we have obviously first option on those lands.

The programme, as the hon. member also well knows, for devising the strategy for the future of the prison is under consideration at the moment and has been for quite some

time. As I told the hon. member yesterday at the briefing, I am hopeful that we will be in a position to indicate clearly to this hon. Court before the end of the year what the preferred solution is. From the department's point of view and certainly from the prison management point of view it is imperative that we identify the way forward as quickly as possible and therefore the working party will be going as quickly as it can to come forward with a recommendation to myself and ultimately to the hon. Court.

**Mr Houghton:** Mr President, may I ask the hon. minister if he would assure this hon. Court that no further preparatory work will be undertaken by his department in relation to the prison's future development until this subject has been fully debated and voted on in a future occasion in this hon. Court?

**Mr Bell:** I honestly do not know what the hon. member means by preparatory work.

**Mr Houghton:** Further lands.

**Mr Bell:** We are coming today to the hon. Court with a resolution relating to the new segregation unit which is essential for the existing prison. Obviously we have every intention of continuing with that. We have no intention of pulling the plug on that particular proposal.

At the moment all the working party is doing is considering the feasibility of various options for the future development of the prison. That is going to continue. There is no purpose in stopping that. We have to take some action, whether we like it or not, to redevelop or refurbish or rebuild the prison. It cannot go on in its present condition and therefore the work which is being undertaken at the moment to pursue that feasibility will continue until a final recommendation can be made and at that stage it will come to Tynwald and Tynwald will decide on what it decides the future of the prison to be.

**Mrs Cannell:** Mr President, given the original reply that the minister gave us in terms of the additional land which has been purchased which is to be conveyed to his department, is he satisfied, if in the end the decision is taken by his department to promote the extension of the Isle of Man Prison utilising those two extra areas, that that will provide sufficient area for such expansion? In considering that, would he also not have regard to the fact that the people in both constituencies which surround this particular area are very much opposed to this expansion and feel that it is inappropriate in such a highly densely populated area?

**Mr Bell:** As I said, Mr President, the feasibility studies on the future of the prison are currently being undertaken. That involves looking at the existing site and if that is not found to be satisfactory, then obviously we will look at other options.

I am aware that the members for North and East Douglas are expressing concern about the extension of the prison. That will obviously be borne in mind. But we have a primary responsibility to ensure the effective development of an acceptable prison facility in the Isle of Man and that has to be our overriding concern. Obviously whatever the final recommendation is - and I have a totally open mind on it at the moment, I do not know what the final recommendation is likely to be - the proposal will be in the best interests of the Isle of Man, but obviously if there are people living close by, their interests will be taken into consideration as well.

### **Prescriptions - Charges - Costs - Question By Mr Rodan**

**The President:** Question 10, the hon. member for Garff, Mr Rodan.

**Mr Rodan:** Mr President, I beg leave to ask the Minister for Health and Social Security:

*For the financial year 1998-99 what is the forecast for -*

- (a) prescription charge receipts -*
  - (i) at £2.15 per item,*
  - (ii) following an increase to £2.40 per item;*
- (b) the percentage of total prescriptions liable to prescription charges; and*
- (c) total pharmaceutical ingredient costs (excluding hospital drugs)?*

**The President:** The Minister for Health and Social Security to reply.

**Mrs Christian:** Mr President, in reply to the first part of the question, at £2.15 per item the forecast of prescription charge receipts for the financial year 1998-99 is £196,000. At £2.40 per item the forecast is £219,000. These figures are based on a full-year calculation; that is to say they are based on an assumption that the prescription charge receipts per item quoted are in force throughout the year. Clearly that is not the case because there has not been an increase at today's date. If the charge is increased during the course of the year the receipts forecast will fall somewhere between the above two figures.

In reply to the second part of the question, at the beginning of 1997-98 the percentage of total prescription items certified as being liable to prescription charges was 13.9 per cent; by the end of 1997-98 that percentage had reduced to 11.2 per cent. The average over the whole of 1997-98 was 11.9 per cent. For 1998-99 the annual average has been estimated at 10.5 per cent.

In reply to the third and final part of the question, at this early stage in the year the forecast for total pharmaceutical ingredient costs is the same as the amount included in the department's estimates, which is £9,721,800, excluding hospital drugs.

**Mr Rodan:** Mr President, will the minister agree with me that the income generated by the one patient in nine who actually pays subscription charges amounts in effect to a mere 2 to 3 per cent of the total drugs bill and therefore putting them up is pretty well a waste of time?

**Mrs Christian:** Mr President, I acknowledge that in relation to the total of the drugs bill the increase is very small indeed, but from the department's perspective any increase in income which we can generate, at the same time making sure that people are able to afford proper healthcare, is an increase which can be well used within the department.

**Mr Lowey:** Would the minister agree that the income is only half the story? Is there an administration cost in administering those prescription charges? What is it and what is it in percentage terms?

**Mrs Christian:** Mr President, I do not have the information that the hon. member seeks in terms of the administration costs. Clearly all prescriptions, whether paid for or not by the consumer, have an administration cost attached to them because they all have to be processed. I will endeavour to obtain that information if the hon. member feels it would be helpful.

**Mr Lowey:** And it would. Thank you.

**Head Lice - Eradication Policy - Question By Mr Rodan**

**The President:** Question 11, the hon. member for Garff, Mr Rodan.

**Mr Rodan:** Mr President, I beg leave to ask the Minister for Health and Social Security:

*What is the department's policy for the eradication of head lice in schoolchildren?*

**The President:** The Minister for Health and Social Security to reply.

**Mrs Christian:** Mr President, before I answer the hon. member's question I should first of all acknowledge that I am fully aware of concerns which have been expressed by some parents in primary schools in recent months. I am also aware that there is a general belief that a return to the head inspection by the school nurses would go some way to solving the problem. This, though, is not the case. An expert advisory committee has now made a clear recommendation for the treatment of head lice and my department has reviewed its policy for the prevention and treatment of head lice accordingly in line with the latest medical research and expert advice. The recommendations do, however, confirm that routine head inspections by school nurses are without value and should not be done.

Other major changes to the previous policy are that the wet combing method is ineffective in eradicating infestations and that the primary control method should be the use of insecticide lotions which are readily available on prescription or over the counter from the pharmacist. If these do not eradicate the infestation, then as a second line of treatment Carbaryl lotion may be used. This is available only on prescription.

The revised policy on the prevention and treatment of head lice contains specific advice for the primary healthcare team, the community pharmacists, the school nurses, head teachers and parents and will be circulated shortly. Additional copies of this policy will be available from the school health service.

**Mr Rodan:** Mr President, does the department's approach of written advice to health professionals and parents not show that the problem is not really being addressed as a public health problem but a series of medical problems experienced individually by individual children? Will she not reconsider a more concerted public health strategy appropriate to communicable disease with indeed a return to old-fashioned class inspections by school nurses?

**Mrs Christian:** Mr President, the concern about head lice is not just a school issue, it is a community issue and it is an individual family responsibility to monitor the state of their children's hair. Not only the children but perhaps the adults in the family may be infected as well.

There clearly can only be a limited value in school nurses carrying out an inspection at a particular time. Reinfestation can occur at any time and therefore it is considered that the use of the school nurses' time should be directed to more serious consideration of serious health concerns in relation to the school population. Lice are unpleasant, but they rarely do any serious health harm except create and cause an itchy scalp.

The department's policy is to reiterate and reissue this policy document. We do wish to co-operate with schools and with families in trying to assist them in following a course of action which will enable them to understand how to tackle the infestation and how to treat it. There is a discussion going on in the department at the moment as to whether or not there would be any value in carrying out an assessment of the extent of the problem at the moment, but that in itself does not produce an answer. The responsibility still must lie with

us as a community and particularly with parents to tackle the issue. Simply leaving it and assuming that a nit nurse, in the old-fashioned term, will pick up the problem on a once-a-month basis, or whatever it may be, will not tackle the issue.

**Mr Rodan:** Mr President, just to ask the minister. I fully understand the problems the department has in a concerted approach to this public health problem, but is she aware that some parents have been spending up to £100 on insecticides for treatment of their children only to find that treatment is totally ineffective because the child has become reinfected on their return to school?

**Mrs Christian:** Mr President, I accept that many families buy products from the pharmacist and use them. If these prove to be ineffective, I would suggest that they go to their GP and obtain a prescription for an alternative treatment. That prescription for children is, of course, not chargeable.

### **Pension Supplement Scheme 1996 (Amendment) Scheme 1996 - Question By Mr Rodan**

**The President:** Question 12, the hon. member for Garff, Mr Rodan.

**Mr Rodan:** Mr President, I beg leave to ask the Minister for Health and Social Security:

*In respect of the Pension Supplement Scheme 1996 (Amendment) Scheme 1996 -*

- (a) is it the case that national insurance contributions paid by a person in the Isle of Man for periods up to 5th April 1978, and whose contribution account was not held by the department on that date, are no longer excluded from contributing towards the 10-year qualifying period for entitlement;*
- (b) how many additional persons have received the pension supplement as a result of being included within the widened scope of the scheme since its approval by Tynwald on 19th June 1996;*
- (c) what is the total annual benefit paid under the scheme; and*
- (d) how much of the total is attributable to those additional persons qualifying under (b)?*

**The President:** The Minister for Health and Social Security to reply.

**Mrs Christian:** Mr President, the Pension Supplement Scheme 1996 (Amendment) Scheme 1996 changed the basis upon which contributions paid to the Isle of Man National Insurance fund prior to the 6th April 1978 could reckon for the supplement. Hitherto only contributions paid in the Isle of Man could reckon where the contribution account remained here on the 6th April 1978. The amendment provided that such contributions could reckon even if the account had been transferred to the United Kingdom prior to the 6th April 1978 under the transfer arrangements then applying.

Two hundred and nineteen additional people qualified for the supplement as a result of this change when it was introduced in 1996.

Of course the total at any point in time changes due to new qualifiers and mortality.

The budget for the scheme for the current financial year is £7.319 million and the total cost resulting from 219 additional qualifiers at current benefit rates is of the order of about £140,000 per annum.

**Mr Rodan:** Mr President, would the hon. minister agree with me that just as it was unfair not to previously recognise Isle of Man contributions paid by people who were perhaps forced to leave the Island to seek work in the UK, an injustice that, as the minister has said, has now been corrected by the 1996 amendment, is it not also unfair that Isle of Man residents who did two or three years' compulsory national service, paying UK contributions and with no choice in the matter, should continue not to have these contributions recognised by her department towards the 10-year qualifying period? Can the minister give an assurance she will look at this particular anomaly again?

**Mrs Christian:** Mr President, the hon. member has indicated that he felt that we had amended the scheme to correct an anomaly. What we did was allow contributions which had been made in the Isle of Man to count for the purposes of the pension supplement. The hon. member is asking the department now to count contributions which were not made in the Isle of Man, for whatever reason, for the pension supplement. It is the department's belief that the qualifying period for the pension supplement being only 10 years in a working life is a fairly generous qualifying period and it does not seem to me to be unreasonable to say that throughout a working career if someone has not contributed for 10 years in the Isle of Man they should, for some reason, then qualify for our pension supplement. I note the hon. member's view differs from that of myself in the department.

#### **Student Festival Of Sport - Hotel Allocation - Question By Mr Braidwood**

**The President:** Question 13, the hon. member for Douglas East, Mr Braidwood.

**Mr Braidwood:** Thank you, Mr President. I beg leave to ask the Minister for Tourism and Leisure:

*Did your department have any input into the allocation of hotels to students participating in the festival of sport?*

**The President:** The Minister for Tourism and Leisure to reply.

**Mr Cretney:** Thank you, Mr President. I would like to take the opportunity to publicly thank Mr Geoff Corlett and his team of volunteers who put so much effort in every year, like so many other event organisers and helpers, to work to ensure the many events on the Island are so successful.

The student festival of sport was started during the Year of Sport in 1985 and since then it is estimated that 17,000 students have visited the Island to participate in the various sports, the highest numbers being in 1997 when 2,700 students attended the festival and 1998 when a week-long festival attracted 3,364 students.

In respect of the allocation of hotels to students participating in the festival, this was organised by Budgetmann Tours Limited, the handling agents for the event. My department has not had an input in this regard. However, I am aware of concerns expressed by a hotelier in relation to accommodation allocations. In fact I called at his hotel on Easter Sunday to discuss the issues with him personally. At that time I promised to pass on these concerns when we have a debriefing session with the event organiser and I will do so.

**Mr Braidwood:** Mr President, I thank the minister for his comprehensive reply, but can the minister confirm that the students on their application form, and we are talking about the hotelier who the minister has mentioned, had put on their application form their preference for his hotel, the hotelier had been informed that there would be no problem by

Mr Martin Campbell, the hotelier's contact, and all this was to no avail as it was overruled by Mr Corlett, the festival organiser?

**Mr Cretney:** Given that I have expressed to the hon. member and to the Court that I will be raising the concerns of the hotelier with the event organiser, I would just at this stage like to confirm that on the application forms which the student organisers put in there is an indication for a preference. I can confirm that last year a group stayed with this particular hotelier whom we are talking about and they were very happy and the hotelier was also very happy with them. They expressed that preference on their form and unfortunately the desires on both parts were unable to be met.

### **Manx Electricity Authority - Electricity Supply Failure - Question By Mr Lowey**

**The President:** Question 14, the hon. member of the Council, Mr Lowey.

**Mr Lowey:** Mr President, I beg leave to ask the Minister for Trade and Industry:

- (1) *What sum has been invested in the generation and distribution systems of the Manx Electricity Authority since April 1991;*
- (2) *what was the cause of the failure of the electricity supply on 19th April 1998;*
- (3) *what action is being taken to prevent such a supply failure in the future; and*
- (4) *what insurance cover does the Manx Electricity Authority carry for loss resulting from such supply failure?*

**The President:** The Minister for Trade and Industry to reply.

**Mr North:** Mr President, over the past seven years the MEA has spent some £57 million on its generation and distribution systems. The power supply failure which occurred on the morning of the 19th April was due to the activation on one generator of the engine protection system designed to protect against the loss of lubricating oil pressure. The resulting increase in load on the remaining generators led to a breakdown of a bearing on another generator, causing the protection system on this generator to shut it down. With two generators now out of commission, there was an overload on the remaining generators in use and all were shut down by their protection systems in order to avoid damage to plant or personnel.

With reference to action to prevent any recurrence, the protection device which was first activated has already been recalibrated and those on all other engines have been checked and found to be satisfactory. Also the bearing which failed on the second generator is being replaced and an examination carried out on the many factors which may have been involved to ensure that as far as possible bearings are desensitised to the adverse effects of sudden step changes in load.

On the question of insurance, government carries public liability insurance which indemnifies the MEA in respect of sums which they may become legally liable to pay concerning accidental death, bodily injury, disease or property damage arising from negligence subject to the conditions of the policy. Every incident which could give rise to an insurance claim is the subject of an investigation and report to the insurers.

The authority has issued a public apology for this incident, the circumstances of which were extremely unusual and rare in that the whole Island was affected and for a comparatively long time. I am sure that the workforce of the authority is as concerned as

anyone that it should have happened and they will be taking all appropriate steps to prevent any recurrence.

**Mr Lowey:** A supplementary. Would the minister not agree that with the expenditure of £57 million to improve the system, for it to actually totally fail, and that is the question, one would have assumed that the mechanical areas put in place would have prevented the total shutdown because one machine broke down. It does seem to me that in planning the mechanics of this operation we have been proven, because it was not a stormy day. So therefore I think we ought to ask ourselves why it happened after this expenditure - and it had never happened, to the best of my knowledge, before that with the old system - why the new system has proven to be fallible, and in accepting the apology from the authority, it is poor comfort to those who have suffered financial loss. I am urging those to get in touch with the authority and to pursue it and I am delighted to hear the minister say that they are covered. Could I also ask, Mr President -

**The President:** You have not asked anything yet. *(Laughter)*

**Mr Lowey:** Could I ask, Mr President, then, is the premium for the insurance paid by the MEA or by government and is this the normal course of events, and can I have an assurance that there would be an independent inquiry into the mechanical failure of the total electrical supply system in the Isle of Man?

**Mr North:** Mr President, I would repeat that this is a very rare and unusual occurrence and I share the concerns of the hon. member of the Council on this matter.

As a general point, I should think it is worth bearing in mind that no power generating organisation can ever be in a position to guarantee supplies at all times. All will suffer power cuts from time to time and for a variety of reasons, whether it is weather, accidental damage, technical, and clearly the aim is to reduce these to the lowest possible level and certainly it is my intention to make sure that the investigation is carried out fully for the future.

**Mr Lowey:** Could I ask my final supplementary? Would the minister accept that the Energy Commission would be an independent authority to oversee an inquiry?

**Mr North:** Mr President, I think we can rely on the MEA to fully investigate this -

**Mrs Hannan:** Oh!

**Mr Downie:** No, you can't!

**Mr North:** - and I will receive a report and if I am not happy with that report, then somebody else can look at it.

**Mr Braidwood:** Can the minister confirm that at the time of the failure it was only Douglas power station which was in operation or was Peel power station included?

**Mr North:** Mr President, I do not know the answer to that, though the original engine was in Douglas that failed.

**Mrs Hannan:** Eaghtyrane, could I ask the minister how much was being generated on that day?

**Mr Cretney:** About as much as in here.

**Mrs Hannan:** It happened to be a Sunday morning and I would have thought that Sunday morning was a time when there would not be as much damage that there needed to be a call upon insurance companies, there would have been much more damage done

during the week. So was this on a Sunday because of that? Also, it comes at a time when a cable is being suggested and maybe this is suggesting that we need a back-up.

**Mr Houghton:** Hear, hear.

**Mr North:** Mr President, I could only hear just part of that question but, yes, I think it does indicate that a cable certainly might have been helpful. As far as I could hear, the amount of electricity, I think we were probably lucky that it was a Sunday morning.

**Mrs Hannan:** Could I ask the minister if he can find out how much energy was being generated on that day? Could he also find out what is the average on a weekly basis? Could I also ask the minister if he would look at why it happened on a Sunday? He has already answered the question about there being a need for the cable which is being imposed on us.

**Mr North:** Mr President, I am quite happy to obtain that further information. As I say, it was a very rare and unusual event and the equipment has been fully investigated since.

**Mr Lowey:** By whom?

**Sir Miles Walker:** Mr President, I was interested to hear the minister's response as far as the insurance was concerned. I wonder if he knows the detail or some finer detail and whether or not those people whose satellite receivers refused to come on again once the power was restored are likely to have their equipment put right by the MEA or the insurance?

**Mr North:** Mr President, that certainly would be a matter for the MEA, for them to contact the MEA, who would then receive information - not by satellite - from the insurers and that will be dealt with in the normal course of events.

**Sir Miles Walker:** They say no.

**Mr Karran:** Eaghtyrane, would the minister not agree with his previous statement that he said about the cable? Can he assure this hon. Court that this is nothing to do with a hidden agenda to justify a cable? Can he also assure this Court by having someone independent such as the Energy Commission? Otherwise the inquiry will be a whitewash, and I think it is important that we need to know why this Island has gone out as a whole, and I cannot remember the last time it went out, and I think a cosy little chat in the MEA is no answer as far as finding out the real facts of what happened there and I think the Energy Commission should be doing it.

**The President:** I do not think there is a question to reply to there, sir: a statement. The hon. member of the Council, Mr Waft.

**Mr Waft:** Thank you, Mr President. In view of the minister's reply with regard to insurance and the government paying the coverage for the insurance, would that not put into question the whole of the tendering process by which the MEA goes into question with other local tenderers for local authority works with regard to insurance? Wouldn't that put them into a better situation?

**Mr North:** Mr President, this falls on the public liability insurance and I think that is irrelevant.

**Mr Karran:** Eaghtyrane, will the minister make the report as far as this incident is concerned available to hon. members of this hon. Court if he is going to still pursue a cosy arrangement of letting them do the report when it should be someone independent?

**Mr North:** Mr President, I am quite happy to make the report available to members and they will be able to assess. As I have said, it was a loss of lubricating oil pressure on a particular engine and they do know, as I have said, that that was due to calibration and that investigation will continue and the details of that will be made available to members of this hon. Court.

### **Petrol And Diesel Fuel Prices - Survey - Question By Mr Duggan**

**The President:** Question 15, the hon. member for Douglas South, Mr Duggan.

**Mr Duggan:** Mr President, I beg leave to ask the Chairman of the Board of Consumer Affairs:

*Has your board recently carried out a survey of petrol and diesel fuel prices in the Isle of Man and compared them with the prices in the north-west region of the United Kingdom?*

**The President:** The Chairman of the Board of Consumer Affairs to reply.

**Mrs Crowe:** Mr President, the Board of Consumer Affairs is notified of wholesale and retail prices of all petrol and diesel sold throughout the United Kingdom every two weeks and we regularly compare these prices with prices on the Island. We also check petrol prices on other islands, other islands that have to import fuel, such as the Scottish islands.

Now, I will pre-empt what I think will be a supplementary by informing the Court of the results of the latest comparisons.

The prices charged for unleaded fuel in the United Kingdom varies from 63.3 pence to 79.9 pence per litre. The prices charged for unleaded fuel in the Isle of Man vary from 63.3 pence to 72.9 pence per litre. The price charged for unleaded fuel on the Scottish islands is 76.9 pence per litre. Now, these islands, like the Isle of Man, have to import fuel, and I would like to inform this Court of the cost of one delivery of fuel from Milford Haven to the Isle of Man. It is in excess of £20,000 per trip and there are 50 of these trips made per year by each supplier.

**Mr Duggan:** Mr President, could I ask the chairman - I thank her for her reply, incidentally - how many meetings has she had recently with the suppliers and garages? Also, on Peel Road there are three garages there more or less charging the same price and there seems to be no competition and a cartel situation.

**Mrs Hannan:** Come to Peel.

**Mrs Crowe:** Well, I would suggest there is competition on the Island, Mr President, and this is one of the complaints I regularly receive via the media, that the price is different in Foxdale from the price in Port Erin. Why is it so cheap in Douglas? Why do we have to pay more in Ramsey? This is fair competition. We live on an Island where there is a free-market economy and I know that consumers purchase petrol at a service station of their choice, paying perhaps the dearest price on the Isle of Man, when they can drive for a mile and get what is perhaps the cheapest price on the Isle of Man. I cannot dictate the prices of petrol or the prices that are charged for petrol by private individuals and companies and I cannot dictate where consumers choose to purchase their petrol.

**Mr Singer:** Could I ask the chairman whether the fortnightly reports she is getting do include the price variations on the Isle of Man and is she aware that residents in Ramsey are being asked to pay, at last weekend's prices, over 23 pence a gallon more for fuel than those in Kirk Michael and Foxdale by the Total Oil Company, by the one company, and is

she seeking an explanation for this large discrepancy other than it being a multinational company attempting to put a small independent trader out of business?

**Mrs Crowe:** I have spoken with the petrol suppliers regarding the last problem that was mentioned by the hon. member for Ramsey, Mr Singer, and that of a price war taking place in the centre part of the Island. Now, whilst I am all for competition and I would fully support competition in all trading throughout the Island, I am not in support of prices being charged at a level which is unsustainable. Now, whilst these prices are sustainable, they say, the private owners and the multinational, fair enough, that is fair market trading and fair competition.

As for the discrepancy in the prices between a private individual selling petrol in Ramsey or Port Erin as against any other person, be it a multinational or another private individual selling petrol, that is up to them. If the petrol stations in Ramsey want to charge 90 pence per litre for petrol they can do so. It is a free-market economy. Whether anyone buys petrol at that station, it is up to them.

**Mr Downie:** Mr President, I would just like to ask the member is she happy that currently petrol prices in her own constituency in Port Erin are in fact 16 pence per gallon dearer than they are in Douglas? Does she not think that there is a substantial amount of profiteering going on with petrol prices in the Isle of Man? Is this fair trading and do you not think that as petrol is one of the most important commodities now in the Isle of Man, the price of which affects everybody, there should be a standard price for petrol throughout the Isle of Man?

**Mrs Crowe:** No, Mr President, I am not in favour of price-fixing cartels for any consumable product. It is a nonsense to suggest that we go back to the day when one petrol supplier charged an overall price for the whole of the Island. I have looked into the profit sharing that takes place between a private owner and the supplier of the petrol. Now, we do have some sites on the Island that are owned by the supplier, so they do not have to share a profit and can sell petrol more cheaply, but at present the margin left is 3p per litre to share between the owner and the supplier, and I do not consider that profiteering or excessive profit. What I said before about petrol stations, be it in the north or the south of the Island, stands: consumers choose to use that petrol station, as indeed I do myself, for whatever reason, albeit they fill the tank for you in the case of some little old ladies or they come out, as I have said before, when a lady has had her hair done and fill it for her - they provide an extra service that other garages, they feel, may not do so. It is up to the consumer. They can shop wherever they choose to shop.

**Mrs Cannell:** Mr President, would the chairman not confirm that Douglas does not supply the cheapest petrol on the Island and that in fact there is a petrol station in Glen Helen which supplies petrol (**Members:** Hear, hear.) far, far cheaper than Douglas?

**Mr Cretney:** A lovely part of the Island!

**Mr Brown:** A good advert!

**Mrs Crowe:** I actually did not mention the area. I did say the middle of the Island which I thought might have included Foxdale. I do know exactly which petrol station sells petrol on the Island. In fact I almost have it committed to memory. (*Laughter*)

**The President:** And the final supplementary from the hon. member for Douglas South.

**Mr Duggan:** Thank you, Mr President. Could the chairman answer or clarify that a garage is charging 68.9 pence per litre and there are other garages charging 72.9 pence? The one that is charging 68.9 pence, is that running at a loss, would she think, or is the other garage at 72.9 making a fortune? Would the chairman also investigate these prices because, as members are concerned and the public are concerned, she should do her job as chairman and investigate the prices thoroughly, not fob us off.

**Members:** Oh!

**Mrs Crowe:** I do not quite know how much more thoroughly I can do this job. It would seem to me that the facts bear little relationship to the argument sometimes in this Court.

Now, I have told you I know the price of petrol charged in every station, I have spoken to the petrol suppliers, I know the price at the gate. I am worried that there are petrol stations on the Island at the moment selling petrol at a price which I do not think is sustainable, but I do think the majority of petrol stations on the Island are in fair competition and that we just do not have the problem that seems to be envisaged by some people and in fact I must say the majority of consumers that have telephoned our office or rung me personally have supported my views.

**Mr Downie:** Roy does not. *(Laughter)*

### **Storm Water Gullies - Cleaning - Question By Mr Braidwood**

**The President:** Question 16, the hon. member Mr Braidwood.

**Mr Braidwood:** Thank you, Mr President. I beg leave to ask the Minister for Transport:

*What arrangements has your department for using Douglas Corporation Cleansing Department to clean storm water gullies in Douglas?*

**The President:** The Minister for Transport to reply.

**Mr Brown:** Mr President, my department has utilised the services of Douglas Corporation's gully-emptying capability for many years as part of the agreement for street cleaning. Officers of my department have been in discussion with officers of the Douglas Corporation to totally review the agency agreement for street cleaning, and gully emptying forms an integral part of those discussions.

We are pursuing the formalisation of the procedure and requirements for gully emptying with Douglas Corporation with the intention of providing a high-quality service.

**Mr Braidwood:** I thank the minister for his reply and I also must add that when I do contact his officers they are very efficient in contacting Douglas Corporation to clean, (**Members:** Hear, hear.) but generally it is a reactive view and not proactive, and I hope on this new establishment between client and contractor that there will be a system of cleaning the gullies by Douglas Corporation instead of having to react to complaints.

**Mr Brown:** Mr President, one of the things that has concerned me for some time, and it was an issue I raised early on as Minister for Transport, was the situation where a local authority was acting as an agent for the department with delegated responsibility and basically the department handed over, to use a term, a budget provision to enable certain functions to be undertaken. Naturally, of course, Douglas is the largest authority that deals with this issue. What I have asked the department to do - and we have, as I said in my answer, been in negotiations - is to formalise that on the basis of the local authority

basically acting as a subcontractor with a proper agreement and if they do not perform, then the department can take action on that.

With regard to gully cleaning, the proposal within the document, which has yet, as I say, to be finally agreed, states in part 2, and I quote, 'All gullies and outlet pipes are to be inspected and cleaned, if required, every six months.' Then it goes on about standards et cetera in the terms of the point of gullies. I think it is fair to say that within Douglas and within other areas of the Isle of Man gully emptying has taken a low profile, and I believe, and I have made the point to the officers in the department, that we should take a more proactive role in terms of gully cleaning. It is good management and good maintenance of what are a very important integral part of dealing with storm waters, and I know that the view that I express is shared by my colleague who has responsibility for highways and traffic, Mr Singer.

**Mr Karran:** Eaghtyrane, would the minister not agree that his department should not just look at the arrangements for the cleaning of storm water gullies in Douglas but get the storm water drainage system so that it is not going into the sewage system, especially if we seem to be hell-bent in this hon. Court on pumping excrement up hills to Meary Veg? Would he also not agree that it would also stop the position that has been said that raw sewage will flow into Douglas Bay at least two or three times a year simply because this issue of splitting the storm water from the sewage has not been addressed? Will he also look at that as more of a priority than the former in this hon. question?

**Mr Brown:** Mr President, as the hon. member will be aware and as people generally will be aware, clearly our sewer system in the Isle of Man was developed over the last 120, 150 years and over that period of time, right throughout the Island, it has been easy and convenient on many occasions to actually connect up storm water into the foul sewer system as a way of taking away storm water from properties and therefore reducing the danger of flooding.

The policy of Tynwald Court and my department is over a period of years - and we have made it absolutely clear it will take a long time - to separate storm water from the foul sewer system so that we are not pumping substantial amounts of storm-water water for the sake of it and therefore eventually, in the longer term, and it will take a long time, it is hoped that the storm water system will be totally separated from the foul sewer system.

**Mr Downie:** Mr President, the minister has indicated in his reply that he is keen to continue with a high level or quality of service. Could I ask the minister, is he satisfied with the present situation with regard to the cleaning of storm water gullies in the Douglas area, how much extra money is he likely to be putting in this year, and could he tell us whether his department have now made a decision to start earlier on with weed eradication from the storm water gullies and the other watercourses in Douglas?

**Mr Brown:** Mr President, I think I would like to make it absolutely clear I did not say we wish to continue with the intention of providing a high-quality service. What I said was we are pursuing a formalisation of the procedure with the intention of providing a high-quality service. It is fair to say, and I reflected this on the answer to the supplementary from the hon. member for East Douglas, Mr Braidwood, that I am not happy with the basis of gully emptying generally throughout the Island, including within the area of Douglas, and we as a department, with regard to Douglas Corporation, are trying to formalise an agreement for all the services that are provided by Douglas Corporation on an agency basis through my department, which is 100 per cent funded by my department, and the whole basis of the agreement is to ensure that the standard of service that we all want to

see is in fact carried out and that my department will have powers then to oversee and ensure that service is carried out. Again, any agreement, as hon. members know, only works if there is goodwill from both parties and I hope we are able to get to a stage where we are content with that.

I would make the point that as far as the budget concern is for 1997-98, the budget provision made by my department to the Douglas Corporation was £100,226 for gully emptying. Street cleaning in fact is substantially higher than that, and as far as the overall street cleaning is concerned, including gully emptying, for 1997-98 it was £519,685. So there is no problem in terms of the amount of money that is put into it. I think the matter that is in question is whether or not we are actually getting value for money in terms of the service that we hope to have provided within the town of Douglas and elsewhere, and it is fair to say we are not satisfied that the service that is being provided is actually what is expected based on the amount of money that is given.

### **Welfare-To-Work Scheme - Question By Mr Lowey**

**The President:** Question 17, the hon. member of the Council, Mr Lowey.

**Mr Lowey:** I beg leave to ask the Minister for Health and Social Security:

*Is it the policy of your department to introduce in the Isle of Man the welfare-to-work scheme to be introduced in the United Kingdom?*

**The President:** The Minister for Health and Social Security to reply.

**Mrs Christian:** Mr President, it is certainly the policy of the department that for those who are able to do so it is better for them to be in work than in receipt of an out-of-work benefit.

There are broader issues involved than simple public expenditure, as we all recognise that work gives to an individual self-reliance and self-respect and the opportunity to increase living standards. In contrast, benefit dependency is sometimes associated with social problems such as ill health or crime. To this end the department has in place procedures to assist unemployed people back into work by way of its own employment review officers and has recently allocated one of its staff to advise out-of-work lone parents on the support available if they wish to return to or take up work of more than 16 hours a week. Also, the social services division of the department has two disability employment advisers to assist people with disabilities to find employment.

The department works closely with the Department of Trade and Industry's job centre and training division and indeed that department has a manpower services division upon which both the DHSS and the Department of Education are represented. That committee co-ordinates employment policy across training, education and benefits.

Hon. members will also be aware that provision was made in the budget to further enhance the family income supplement and disability working allowance schemes so as to make work a more attractive proposition to those out of work on benefits. In particular, an allowance for housing costs is to be introduced in those two schemes from October and its introduction will be accompanied by publicity and practical support. In this financial year the additional funds provided amount to  $\frac{1}{4}$  million and in the next financial year this is expected to rise to  $\frac{1}{2}$  million.

In conclusion I would advise that the department is not going to introduce a welfare-to-work programme from scratch, as measures are already in place to encourage people to

move from out-of-work benefits into work, but it does intend to develop the existing measures as necessary.

**Mr Lowey:** A supplementary, Mr President. Can I welcome the opening remarks of the minister but would she not agree that the amount of practical help given to people unemployed is very lacking? The review officer's time is wasted if that officer cannot at the end of the day offer financial rewards to the person to come off employment benefits because there are many benefits that they enjoy unemployed that they do not when they get into employment and regularly there is -

**The President:** Hon. member, come to the question, please.

**Mr Lowey:** The point I am trying to say, sir, is the difference between working, the wages that they get when they go into work and what they get on benefit is very small, and perhaps with a little bit of ingenuity the department could come up with some schemes, like transport costs, to get people into work, practical help as opposed to verbal help.

**Mrs Christian:** Mr President, the hon. member has referred to the fact that there have been financial traps where there have been occasionally situations where it does not pay you to move from benefit into work. The department is taking steps to eliminate those, in particular with the increase in the family income supplement -

**Mr Lowey:** If you are married.

**Mrs Christian:** - and - the point the hon. member is making is one I am coming to - the only group that that does not cover is the single person.

In terms of the Island's problem as compared with the United Kingdom, we do not have a major unemployment problem and I think that we have to recognise that their welfare to work scheme is perhaps somewhat differently focused than our efforts. But I do acknowledge that there is this area of concern possibly with those who are single and not entitled to family income supplement but nevertheless believe that there are sufficient jobs available at the moment at the job centre to enable most people to move into even unskilled work which pays better than benefits do.

**Mrs Crowe:** Would the minister agree that the initiatives that she has previously mentioned by the manpower committee, which I chair, have been providing enormous practical help to these people seeking jobs who are on benefit at present and trying to escape that trap and there have been numerous initiatives and the help is not only verbal, it is practical?

**Mrs Christian:** I would confirm that the work that has been going on at the Department of Industry has undoubtedly helped many people to gain skills which have enabled them to obtain employment. That is not to say that there are no difficult areas, and we are continuing to work on those in conjunction with the industry department and the education department to make sure that we have a network that provides an incentive rather than a disincentive for people who wish to move into work.

**The President:** Well, hon. members, that concludes our scrutiny of the question paper, with item 18 down for written answer.

### **Members Of Tynwald - Mileage Allowance - Question By Mr Duggan For Written Answer**

#### **Question 18**

The hon. member for Douglas South, Mr Duggan, to ask the Minister for the Treasury:

*What is the total amount of mileage allowance claimed by each member of Tynwald for the period since the last general election?*

**Answer**

Since 1994 the expenses of the Legislature have been kept separate from those of executive government. The Clerk of Tynwald's Office is therefore responsible for processing, arranging payment and maintaining records of all such claims from members.

As the Treasury did not have the information requested by the hon. member, the attached schedule has been provided by the Clerk of Tynwald's Office. Where no claim has been made, the member's name has been excluded from the list.

Perhaps it would be more appropriate for any future requests for such information of this nature to be addressed to the Tynwald Management Committee.

TYNWALD MEMBER	TOTAL MILEAGE CLAIMED 21.11.96 TO DATE £
Hon A R Bell MHK	3799.56
Hon J A Brown MHK	1886.20
Mr J D Q Cannan MHK	3755.02
Hon C M Christian MLC	2651.74
Hon N Q Cringle SHK	115.92
Mrs P M Crowe MHK	2997.60
Mr D F K Delaney MLC	525.52
Mr A F Downie MHK	100.28
Hon D J Gelling MHK	1266.60
Hon Sir Charles Kerruish	1331.78
Mr J R Kniveton MLC	1646.06
Mr E G Lowey MLC	2238.92
His Honour A C Luft (former MLC)	145.56
Hon E J Mann MLC	834.12
Hon R E Quine MHK	2625.60
Mr J N Radcliffe MLC	962.00
Mr S C Rodan MHK	1216.48
Mr J P Shimmin MHK	393.86
Mr L I Singer MHK	3009.80
Mr G H Waft MLC	668.30
Sir Miles Walker MHK	<u>966.50</u>
	<u>£33137.42</u>

**Mann 2000 - Statement By The Speaker**

**The President:** Now, we move on to the order paper, hon. members, and -

**Mr Cannan:** Mr President, sorry, a point of order and clarification before we move to the order paper, sir. Could I have clarification? Did your remarks at the opening of Tynwald indicate that there is a restriction on members' freedom of speech to comment on questions and motions they have submitted for inclusion on the Tynwald agenda?

**The President:** Would you repeat that question, sir, please?

**Mr Cannan:** I was just asking about the comment you made, sir, about members speaking. Is there any restriction on their freedom of speech to comment on questions and motions that they have on the Tynwald agenda before Tynwald?

**The President:** You will recall, sir, my observation to the Court earlier this morning, that I felt, when a member placed a question on the agenda paper and placed a motion on the agenda paper, it was the courteous thing to do to bring that particular question or motion to this Court initially to have it either answered or discussed, rather than appears to be the growing practice of members going to the press and ventilating and even answering the question which they have been posing. I think it would be discourteous to the Court if any member were to do that. Does that clear your mind?

**Mr Cannan:** Yes, sir.

**The President:** Thank you, sir. Moving on, hon. members, to the order paper, item 3, the hon. Mr Speaker.

**The Speaker:** Mr President, on 9th July 1996 the then Chairman of the Millennium Committee, the hon. TRA Groves, reported to this hon. Court regarding the progress and intentions of the committee. Now, apart from the designation of the committee of Mann 2000 and the sanctioning of a logo, few positive steps had been taken. However, it had been decided that Mann 2000 would operate through three sub-committees that are namely the Mann 2000 Features, to deal with the major features such as statues, fountains and national parks et cetera; Mann 2000 Events, to be concerned with organised events such as exhibitions and festivals; and Mann 2000 Regional, to consider other projects submitted by local authorities. The three sub-committees would be responsible for evaluating proposals for grant aid and making their recommendations to the main 2000 committee. It had been agreed to appoint a co-ordinator to serve the sub-committee, and the local authorities and the committee had obtained an initial financial commitment from government of £500,000.

Following that statement by Mr Groves the members of the original Mann 2000 Committee then decided not to make any further irrevocable decisions to which the committee would be bound in the light of the forthcoming general election.

After the general election a new Mann 2000 Committee was formed, with the hon. member for Ayre, Mr Quine, as chairman, together with the Hon E J Mann, the Minister for Education, and the Hon D C Cretney, Minister for the Department of Tourism and Leisure, and myself.

One of the first initiatives of the newly formed Mann 200 Committee was to appoint a part-time co-ordinator, Mrs Belinda Leach, and she has been in post since 12th May 1997 and Mrs Leach investigates proposals from various parties and takes them to the responsible sub-committee for their consideration and she devotes considerable time to advising local authorities and the private sector on the administrative and procedural requirements.

As the Mann 200 Committee set about forming the three sub-committees we were most anxious, as were our predecessors, to involve lay people from all areas of the Island working together with members of the legislature to cultivate projects which would be of ongoing benefit to our Island community. These three sub-committees have been functioning since early last year and comprise a chairman and four members of the legislature and four lay members. The features sub-committee has allocated grant aid for a number of projects including the establishment of an oak wood on land at Ballamona

estate, and this project involves each of the Island's primary schoolchildren. Both primary and secondary schoolchildren are participating in the creation of the Manx Millennium Chronicles which should prove to be an interesting social record of young people's views and their opinions. The features sub-committee has also contributed towards the restoration of the Peel Cathedral bells and in a joint project with the Department of Local Government and the Environment this committee is to establish parish marker stones, stone seating and paving, and limited landscaping in local authority areas.

The Hon E J Mann MLC is chairman of the regional sub-committee which has allocated funding towards two sculptures in Ramsey which will be on display in the new town hall and library. Grant aid has also been allocated to Douglas Corporation for the creation of a landscaped area incorporating a water feature, to Lonan Commissioners for a garden and a clock at Baldrine, the establishment of a picnic area at Bride and the construction of an ornate public shelter and entrance to Port Jack Glen incorporating a clock, to be carried out by the Onchan Commissioners. The regional sub-committee has awarded a grant to Andreas Commissioners for the creation of a scented garden in the shape of the Isle of Man and to Marown Commissioners for the development of a new community room and other facilities. Further schemes which are being actively progressed include the preservation and archiving of old photographs of Port St Mary, the commissioning of the Santon Cross, a standing stone, and the creation of a picnic area alongside the Sloc Road by the Rushen Commissioners and the erection of a clock in Castletown.

The events sub-committee, which is chaired by the Hon D C Cretney MHK, has allocated grant aid towards Homecoming 2000 hosted by the Isle of Man Family History Society. Financial support is being given to two spectacular events in Peel: the Festival of the Sea which will include a visit by the Ocean Youth Club Fleet, and in the north of the Island the Andreas Millennium Vintage Steam Spectacular. On a smaller scale the sub-committee is supporting a Visual Arts Festival at St John's and a torchlight procession in Peel. Financial assistance has also been awarded to the Embroiderers Guild and the Island's Womens Institutes.

The main Mann 2000 Committee itself will be sponsoring specially designed millennium crowns for distribution to the Island's schoolchildren and pre-schoolchildren in the Year 2000. The committee is also giving grant assistance to the Southern Photographic Society in order that a photographic record of events in the Year 2000 is made. Further investigations are currently being carried out into the possibility of establishing an area of outstanding natural beauty and the creation of a bird sanctuary. This committee has also endorsed the Isle of Man's representation in the year 2000 round-the-world yacht race.

Partnerships with the private sector are also being encouraged and several projects are in the final stages of negotiation. We are grateful to those companies in the private sector who have expressed their willingness to contribute to the millennium efforts and would like to encourage further participation in this area. It should be emphasised that all of the Mann 2000 committees have many more projects under their active consideration.

With regard to the Mann 2000 budget I am pleased to report that this has been increased by an extra £250,000 in 1998-99 and a further £250,000 in 1999-2000, making a total of £1 million. This will enable us to progress more projects, including events of a celebratory nature. As a general rule approved local authority projects may receive up to 50 per cent support and the maximum for the private sector is 33.3 per cent. Projects which would ordinarily fall to a government department or a local authority to provide and private

sector projects of a commercial nature do not qualify for Mann 2000 funds. I can assure this hon. Court that value for money is sought wherever projects or events are considered for grant aid, and further it has been agreed that all grant-aided projects should be identified as Millennium 2000 projects in order to distinguish them from Millennium of Tynwald projects.

In conclusion Mann 2000 and its three sub-committees have sought to cultivate projects which will be of ongoing benefit to our Island's community. To this end we are grateful to the various government departments who are co-operating with Mann 2000 to bring projects to fruition in the year 2000.

Last but not least, the Mann 2000 Committee members are most grateful to all those local authorities and the members of the public who have responded so enthusiastically with ideas and projects.

**Mr Brown:** Mr President, could I ask the hon. Mr Speaker, the member of the executive committee, and just say I was pleased to see that it was their intention, as was the original aim, to involve lay people from all areas of the Island, that is, every town, village and parish. Could he confirm why it is felt appropriate by the Mann 2000 executive committee to have representatives from every town in the Island on their sub-committees, that is with the exception of Castletown, the former capital of the Island, even though there are many towns, villages and parishes throughout the Island who have one or more representatives?

**The Speaker:** Each chairman of the three committees all chose their own four lay people. I can assure the hon. member for Castletown it was not a deliberate policy to exclude Castletown or a Castletown resident from any of the committees.

**Mr Brown:** Mr President, could I again ask the Speaker, as Castletown is the only area in the Isle of Man that has no local authority representative on any of the committees, has no lay person resident from Castletown on any of the committees and I am not on any of the committees, the justification for that stance?

**The Speaker:** Mr President, I cannot give to the hon. member for Castletown a justification for that response other than to say the way it worked out each of the four committees chose from around the Isle of Man their four representatives. It may very well be unfortunate that when picking those three separate committees consisting of lay and Tynwald members none of those committees had chosen a particular resident of Castletown.

**Mr Brown:** Mr President, can I ask then that the hon. member Mr Speaker, a member of this committee, again take back to that committee that this situation is totally unacceptable to me as the member for Castletown and it is totally unacceptable to my commissioners and the people of Castletown that they have no representation whatsoever on a committee that is there to mark the celebrations within the whole of the Isle of Man for this very important year.

**Mr Cannan:** Can I draw the intention of the hon. Mr Speaker that Kirk Michael, Ballaugh and Jurby do not have a representative either.

**The Speaker:** Mr President, I am perfectly happy to take the point which the hon. member for Castletown has made in relation to his particular area and I take equally the point which the hon. member for Michael, Mr Cannan, has made.

## **Residential And Nursing Homes - Supplementary Benefit Rules - Statement By The Minister For Health And Social Security**

**The President:** Item 4, hon. members, the Minister for Health and Social Security.

**Mrs Christian:** Mr President, at the sitting of Tynwald in April last year it was resolved that the report of the Department of Health and Social Security on the options and costings for the long-term support of those requiring residential and nursing home care be received and the department be invited to develop the proposals and report by the October 1997 sitting. Due to the complexity of the proposals that target was not achieved and I indicated at the December last sitting that even further time was required to complete the report and that it was hoped that it would be included on the agenda for this month's sitting.

Although the department did indeed complete the report in accordance with the revised timescale, the Council of Ministers have decided that it be deferred to next month's sitting, as the members of Council needed further time to give it detailed study. I can, however, confirm that the report will be submitted to next month's sitting of this Court.

### **Investment Business (Fees) Regulations 1998 - Approved**

**The President:** Item 5, the Minister for the Treasury.

**Mr Corkill:** Mr President, I beg to move:

*That the Investment Business (Fees) Regulations 1998 be approved.*

The Investment Business Acts 1991 to 1993 empower the Financial Supervision Commission to prescribe application and periodical fees payable by applicants for and holders of investment business licences.

These regulations replace earlier fees regulations. The changes to existing fees are contained within the explanatory memorandum.

Research has been done in other jurisdictions and it is not anticipated that these fees will affect the Island's competitive position and I beg to move.

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

**The President:** Hon. members, I put the resolution set out at item 5 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

### **Collective Investment Scheme (Fees) Regulations 1998 - Approved**

**The President:** Item 6, the Minister for the Treasury.

**Mr Corkill:** Mr President, I beg to move:

*That the Collective Investment Scheme (Fees) Regulations 1998 be approved.*

The Financial Services Act 1998 empowers the FSC to prescribe application and periodic fees payable by the operators of collective investment schemes.

These regulations replace earlier fees regulations. The changes to existing fees are as follows.

Authorised schemes: (a) an increase to the application fee for the sub-fund of an umbrella fund from £250 to £300, this fee has not changed since March 1990; (b) an increase to the periodical fee for the renewal of a scheme which is not an umbrella fund from £500 to £600, and this fee has not been changed since it was brought into effect in October 1988; (c) an increase to the periodical fee for the renewal of a sub-fund of an umbrella fund from £250 to £300, and this fee has not changed since March 1990.

Recognised schemes: an increase to the periodical fee for the renewal of a recognised scheme under section 12 of the Financial Supervision Act from £500 to £750, and this fee has not changed since it was brought into effect in October 1988; an increase to the application fee for a recognised scheme under section 13 of the Financial Supervision Act, which is not an umbrella fund, from £1500 to £2000, and this fee has not changed since it was brought into effect in October 1988; and also an increase to the periodical fee for the renewal of a recognised scheme under section 13 of the Financial Supervision Act, which is not an umbrella fund, from £500 to £750, and this fee has not changed since it was brought into effect in October 1988.

Restricted schemes: an increase to the periodical fee for the renewal of a restricted scheme from £750 to £850, and this fee has not been changed since April 1995.

Once again research has been done in other jurisdictions and it is not anticipated that these fee increases will affect the Island's competitive position. I beg to move.

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

**Mr Lowey:** Mr President, while I welcome and will be supporting the recommendation, could the minister say that it will be the policy of the Treasury to review these on an annual basis like all other fees?

**Mr Karran:** Eaghtyrane, I would just like to ask the Treasury Minister what the criteria for increasing the fees on these firms are? Is it a basis of saying, 'Well they're doing reasonably well at the present time, so we can afford to increase the fees', or is it done because of the fact that the Financial Supervision Commission has overspent and they do not want to come back as far as it is concerned because they are more worried about their vanity so that they do not want to be in deficit or something.

I just think that it is important that whilst we talk about this most important sector of our economy, we want to have the increases in fees on a proper worked out, sound, logical basis and not on the basis that maybe the Financial Supervision Commission would have to come back for a supplementary vote or something in order to balance the books. If that is the case, then that is the wrong criterion we should be looking upon as far as increasing our fees structure in this important sector.

**Mr Gilbey:** Mr President, could I say that it is not the policy to review these fees annually and there is a very good reason for that, one to give some continuity for the institutions concerned and the next because, as hon. members will have realised, the increases are broadly in line with inflation over the periods concerned and it is much better to keep such fees, when you are taking of hundreds of pounds, at round figures. If you were doing it every year you would be getting odd figures rather than round hundreds of pounds.

I would like to assure the hon. member for Onchan, Mr Karran, that there is no question of the FSC having overspent. In fact in respect of the last financial year the FSC shows a most satisfactory position. Its fees are more than estimated and its expenditure is less, and I think it is unfortunate that he should make the kind of remark he does regarding the vanity and so on because although I do not mind such remarks, being used to them from the hon. member, it is unfortunate for other people, both commissioners and staff working for the FSC, who are a very loyal, hard-working group, that such expression should be publicly made.

**The President:** Reply, minister.

**Mr Corkill:** I think, Mr President, the last speaker, Mr Gilbey, who of course is Chairman of the FSC, has answered the points.

Obviously from Treasury's point of view, in reply to the question by the hon. member of the Council, Mr Lowey, the Treasury has a function of looking at fees across a broad spectrum and does this on a regular basis and not necessarily annually but close to annually. But with regard to the way that fees are increased, it is not always appropriate to do that on an annual basis, and I think the hon. member for Glenfaba, Mr Gilbey, has stated the reason why.

From my colleague from Onchan, Mr Karran, I think comments are unfortunate sometimes when we have a loyal staff in the FSC who are working hard in a difficult area of regulating what is a very important sector of the Island's economy. But with regard to the overheads, there is a general policy that in fact the industry should pay for its own regulation in broad terms and so fees are set relative to that criterion, although obviously demand and supply is a variable factor and therefore there is not necessarily going to be a balance at the end of each year, but with fees also we obviously have to look at our competitors in other jurisdictions and keep an eye on that rabbit at the same time.

**The President:** I will now 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. The ayes have it.

#### **Banking (Fees) Regulations 1998 - Approved**

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

**Mr Corkill:** Mr President, I beg to move:

*That the Banking (Fees) Regulations 1998 be approved.*

The Banking Act 1975 as amended empowers the Financial Supervision Commission to prescribe application and periodical fees payable by applicants for and holders of banking licences.

These regulations increase the fees payable upon the issue or renewal of a banking licence from £7,500 to £9,000. These fees have not changed since April of 1995.

There again the competitive position has been looked at and I beg to move.

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

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

#### **Income Tax Exemption (Managed Banks) (Fees) Order 1998 - Approved**

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

**Mr Corkill:** Mr President, I beg to move:

*That the Income Tax Exemption (Managed Banks) (Fees) Order 1998 be approved.*

The Income Tax Act of 1970 empowers the FSC to prescribe application and periodical fees payable by applicants for and holders of offshore banking licences and restricted offshore banking licences which wish to be exempted from income tax under section 28 of the Act.

These regulations do replace earlier fees. The changes are listed in the explanatory memorandum that was supplied to members. I beg to move, Mr President.

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

**Mr Crowe:** Mr President, I would just mention or ask the minister. Although he has taken research in other jurisdictions, I think it would be helpful to members if the benefit of that research was given to members so that we know where the Island stands in comparison to other jurisdictions for these fees and for the ones he has previously talked about.

**Mr Corkill:** That information is available within the FSC, Mr President, and I can supply that information to the hon. member and more broadly if members wish.

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

### **Collective Investment Schemes (Prospectus) (Exemption) (Amendment) Regulations 1998 - Approved**

**The President:** Bypassing item 9 with your permission and moving on to item 10, the Minister for the Treasury.

**Mr Corkill:** Thank you, Mr President. I beg to move:

*That the Collective Investment Schemes (Prospectus) (Exemption) (Amendment) Regulations 1998 be approved.*

This order is designed to extend the scope of the Collective Investment Schemes (Prospectus) (Exemptions) Regulations 1995 which exempt companies which are collective investment schemes from the majority of the prospectus requirements of the Companies Act of 1931.

This amendment, which came into operation on 1st March 1998, amends an earlier set of regulations providing similar exemptions. The earlier regulations exempt those schemes which are originally constituted as public companies from the majority of the prospectus exemption requirements of the Companies Act 1931. They do not, however, include those schemes which are originally constituted as private companies and then which subsequently convert to public status.

In theory then when a scheme constituted as a company goes from being a private company in accordance with section 26 of the Companies Act, that is, an exempt restricted scheme, to being a public one, that is, a restricted or authorised scheme, it must technically produce and file a prospectus. This is an anomaly, since pursuant to section 40 of the 1931 Act a company which is constituted from the outset as a public company would not have to go through this process. This amendment rectifies the anomaly. I beg to move.

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

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

### **Dual-Use And Related Goods (Export Control) (Amendment) Regulations 1998 (Application) Order 1998 - Approved**

**The President:** Item 11, the Minister for the Treasury.

**Mr Corkill:** Thank you, Mr President. I beg to move:

*That the Dual-Use and Related Goods (Export Control) (Amendment) Regulations 1998 (Application) Order 1998 be approved.*

The purpose of this order is to apply in Island law regulations which amend the Dual-Use and Related Goods (Export Control) Regulations 1996 and 1997 regulations that amended those principal regulations.

The principal regulations are designed to impose export controls on goods which can have both a civil and a military or paramilitary purpose. They were originally made in response to an EU Council decision of 1994 and this decision is cited in the regulations.

There are no resource implications, and I beg to move.

**Mr Radcliffe:** I beg to second, sir.

**Mrs Cannell:** Mr President, can I just ask the minister, on the third page in relation to statutory instruments, why the words 'and shall come into force on 8th March 1998' have been ruled out?

**Mr Corkill:** Mr President, I cannot account for that amendment to the documentation but I will follow that through. Members will appreciate that this VAT legislation is extremely complicated, but we have an obligation to stay in line with United Kingdom regulations so that the back door is not left open in respect of things to do with particularly military or paramilitary items. The timing of the regulations is therefore important, so I would wish to consult further before giving an answer to that actual date.

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

#### **Aircraft Operators (Accounts And Records) (Amendment) Regulations 1998 (Application) Order 1998 - Approved**

**The President:** And finally item 12, the Minister for the Treasury.

**Mr Corkill:** Mr President, I beg to move:

*That the Aircraft Operators (Accounts and Records) (Amendment) Regulations 1998 (Application) Order 1998 be approved.*

The purpose of this order is to apply in Island law regulations which amend the Aircraft Operators (Accounts and Records) Regulations 1994, inserting new regulations 9 to 16, and they are concerned with refunds of overpaid air passenger duty.

These new regulations match those relating to VAT and excise duties which are being put in place by other instruments laid before this Court. All are concerned with situations where a trader makes a claim for a refund of overpaid tax that could be rejected by the Treasury on the grounds that the claimant would be unjustly enriched by the refund. These regulations allow for reimbursement arrangements to be put in place whereby the claimant receives the refund, passing it on in turn to the persons who effectively bore the duty.

A person who accepts that the refund would unjustly enrich him would need to fulfil the requirements of the reimbursement scheme before the refund would be allowed. The requirements include being able to identify the persons who should receive the duty and arranging payment to them, not making any deduction from the refunded amount for administering the scheme, and undertaking to repay any part of the refund not repaid in turn to consumers within set time limits.

A person whose refund claim is rejected on the grounds of unjust enrichment may lodge an appeal with the VAT and Duties Tribunal.

There have been no refund claims for air passenger duty received by customs and excise in the Island to date. The measure is mainly a revenue protection one and the likely effect of it in the Island will probably be minimal. I beg to move, Mr President.

**Mr Radcliffe:** I beg to second, Mr President.

**Mrs Cannell:** Mr President, on page 3, production of records, 14(2)(c), it states here, 'be signed and dated by the Treasury or by an officer'. Is that an officer of the Treasury or an officer of government?

**Mr Corkill:** It is one and the same thing, Mr President.

**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.

Now, hon. members, after lunch we will go back to item 9 on the order paper and I would like some guidance from you in respect of the supplementary agenda. We have an important supplementary order paper and what I would like to do, if you would agree, would be to take it immediately after number 9 before we run on to the regulations and the rest of the business, get it out of the way.

**Mr Cannan:** I support that. Agreed, Mr President.

**Mr Duggan:** Agreed, sir.

**The President:** You would accept? Thank you, hon., members. That is what we will do then: item 9 followed by the supplementary and then back onto item 13 thereon. Thank you for your help. The adjournment will be until 2.30.

*The Court adjourned at 1.06 p.m.*

### **Isle Of Man Prison - New Segregation And Reception Unit - Expenditure Approved**

**The President:** We resume our consideration of the order paper at item 9, hon. members, and I call on the Minister for Home Affairs.

**Mr Bell:** Thank you, Mr President. I beg to move:

*That Tynwald approves of the Department of Home Affairs incurring expenditure not exceeding £1,225,320 on the construction of a new segregation and reception unit at the Isle of Man Prison, Victoria Road, Douglas.*

This motion seeks approval to proceed with the provision of a two-storey building in the grounds of the Isle of Man Prison to provide a segregation unit on the ground floor and a reception unit on the first floor. The segregation unit will contain six secure disciplinary cells, a special observation cell, a dirty protest cell together with an office, a closed visits area, toilets, showers et cetera. It will replace the temporary segregation unit in C wing of the prison which has been in use since the original unit in the basement of the Victorian A and B wings was closed in July 1997.

The current use of part of C wing as a temporary segregation unit together with a reduction from three to two in the number of inmates housed in standard cells in A and B wings has reduced the overall number of male inmates that the prison could accommodate, and this necessitates some inmates being granted early release to provide space for new admissions when the maximum operating capacity of the prison is reached. For this reason the provision of a new segregation unit is regarded as urgent as this will return nine prisoner places to normal use.

The reception unit will contain a reception area, six reception cubicles, a locker room, property store, toilets and showers. It will replace an old and totally unsuitable Portakabin which is currently used for the reception and processing of new inmates. Considerable thought has been given to the type of building required. Following consultation with and advice received from H.M. Prison Service it has been decided that rather than providing a traditional type of building of conventional construction, a pre-engineered modular manufactured building should be provided. This would be of a type specifically designed for prison use with appropriate security and sufficient strength for detaining prisoners.

This type of building has two specific advantages over a traditional building that are required to meet the department's needs. The first is that it is a fast track in both design and erection and can be provided within a period of sixteen weeks from an order being placed as compared with between 15 and 18 months for a traditional type of building. This is extremely important in view of the urgent need for a new segregation unit to which I referred earlier. The second advantage is that the building superstructure will be capable of being recycled. In other words, it will be possible to move it to a different site, if necessary, at a future point in time. This is an important requirement as, in relation to the overall development of the prison, it has yet to be decided whether the prison can be redeveloped on a site based around the present prison in Victoria Road or whether it will be necessary to build a new prison on a different site.

It would be difficult to justify major expenditure on providing a traditional type of building when we are still deliberating on whether or not the prison will remain in Victoria Road. Equally, we cannot delay the provision of a new segregation unit any longer. The provision of a building that can be moved to a new site, if necessary, is therefore the preferred solution.

If this motion is approved, the building will be provided by Caledonian Building Systems from Newark in Nottinghamshire, which is the firm that has won the contract to provide this type of building for H.M. Prison Service on the basis of both price and quality. We have been able to agree terms with the supplier, based on the terms which they agreed with H.M. Prison Service.

The total cost of this scheme has now been assessed at £1,373,720, of which a sum of £148,400 has already been voted for design fees, pre-contract, in the budget, leaving a sum of £1,225,320, the figure stated in the motion, to be voted for the construction works. This figure exceeds that shown in the Pink Book by £237,920. The Pink Book figure was derived and interpreted from early reference data obtained from the Scottish Prison Service, who carried out a review in 1995 based on data originating from 1989, to which was added an assessed particularisation factor for the Isle of Man location and an allowance for inflation. The revised figure results from a recent complete reappraisal of the scheme by the department's quantity surveyors and now reflects the change in standards of accommodation since 1989 and specific particularisation factors.

A comparison has been carried out between the cost of a pre-engineered building with that of a traditional building, and this has shown that, in this case and overall, a pre-engineered solution is approximately £25,000 more expensive than a traditional building. However, this minor on-cost will be more than offset by a saving in inflation costs due to the shorter timescale and, perhaps more importantly, with the added benefit of early use of the facility.

I wish to reiterate the extreme urgency of providing a new segregation unit in order that we can return the temporary unit for normal use and thus increase the maximum

number of prisoners that the prison can accommodate. I believe that a modular manufactured building is the only option, given the situation that I have described, and I am satisfied that the type we are proposing is the most suitable for our needs and that we will be receiving value for money. Therefore, I beg to move the motion standing in my name.

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

**Mrs Cannell:** Mr President, I appreciate, from the presentation that was given by the minister and the department yesterday, the urgency in providing an alternative for the segregation of those would-be at risk prisoners, but there are one or two things which I am very concerned about.

The first one is the question which was raised at the briefing in terms of the cost of actually taking down this preconstructed package and moving it to another site, because that cost had not been considered in the overall financial equation and also, of course, the fact that the company that is providing this kit, for want of a better word, have only been in business for three years. So therefore it appears to me that there is no other working example where they have actually erected such and taken it down successfully, and that disturbs me a little bit, even though other examples of other places around the world were given where other manufactures have been employed to provide the same. I would have appreciated perhaps from the minister his inclusion in the overall figures of actually taking it down and putting it back up on perhaps an alternative site, because then I think we have got the true cost of the overall scheme.

But in looking at the cost, the minister mentioned that there will be £25,000 additional cost compared with traditional build. In other words, it was £25,000 more for this for convenience and speed for putting it up compared with the traditional methods employed for building and, in addition to that, because the figures have to be updated compared with figures that were submitted some years ago - I think some nine or so years ago - the price has gone up by £237,920. Now, that brings the total increase of £262,920 on top of the price which was considered some nine or ten years ago when this idea was first floated. So that is quite a considerable cost.

But I have to put down on record my concern that very little by way of our local construction companies would be engaged to undertake any of the works. I appreciate the minister's assurance in that some of the electrical work and perhaps ground works would need to be undertaken by the local construction industries, but as regards the rest of it, of course, there will be no requirement for their services and so that alarms me.

I also note that if members are so to support this particular scheme here today, it would in fact release nine prisoner places - in other words, nine prisoner places would be returned to normal. Nine prisoner places, I would suggest, are not going to accommodate the present increase in convictions, which are those who are being convicted and sent to prison. I mean, the increase in that over the years is going up quite dramatically, and here we are being asked to approve quite a great deal of money to put up a temporary building that we have no assurance of in terms of its relocation, should we find it necessary, although we have been given, as part of the marketing ploy, the sell that it can be taken down and used elsewhere, and yet it is only going to provide normal space use for nine prisoners.

So it is very much a short-term measure and I am a little disappointed, perhaps, that the department has not come forward with an overall scheme, a proper, firm scheme, which the department would like to pursue and is not asking members of Tynwald here

today to consider the whole package - that is, the rebuilding of a new prison - because the department has been deliberating over this since shortly after the general election, almost two years ago, and so things, to my mind, have moved a little bit slower than I would like to have seen. I appreciate there is an urgency but I am not entirely satisfied with what is being proposed.

I am also not satisfied with the concern of the constituents in the area and the way in which they have been dealt with, although I appreciate the minister's assurance this morning during question time that he will take those matters on board, but I would hope that he would do it speedily, because rumour is amongst us and it is growing that the policy of the department is to expand on the existing site; it is not merely to accommodate within the walls this temporary structure for a temporary use on a temporary basis, but it is in fact to expand in that area.

I am undecided as to whether or not I am actually going to support today. I may support and I may not, but I will sit back and listen to what other members have to say, and indeed will be very interested to hear what the minister has to say in his response. But I hope he takes my concerns as being genuine and not one of trying to stab him because I am a member that was formerly a member of his department, because I believe if that kind of attitude is employed in the deliberation of the reply then I may find I have to vote against.

**Mr Bell:** That is your choice.

**Mr Karran:** Eaghtyrane, I welcome this item on the paper here today because I believe that prisoners should not have to live in such conditions, prison officers surely should not have to work in such appalling conditions and I welcome any moves that will improve the standard of accommodation and the practical use of the running of the prison. I am only sorry today we are not doing a short-term facility as far as this is concerned for the sex offenders within our prison walls at the present time, because I believe our present policy as far as sex offenders is concerned only makes their perversion even stronger under the present regime that we have got there. So I think this House should be supporting this as a whole and I hope the hon. member for East Douglas reconsiders her position, because it needs to go through. This needs to be done and also I believe that we should be looking at a short-term arrangement as far as some of the other categories of prisoners within the prison at the present time. I need no lecture from anybody in this hon. House; I moved a motion to try and get a body set up to look at the redevelopment of the prison because I believe that we need a new prison, but the fact is we have a crisis on our hands, a situation where the prison officers have had a high level of sickness - I do not know whether that has changed - and one could only sympathise if they had any sincerity in doing their job with any job satisfaction as far as the present situation.

What I do hope is that this will not be used for. . . and I do hope the minister will make sure that we do get a well-thought-out policy on a prison regime, on putting the prison in the right place, not for political expediency, because one of the things that does worry me is making sure. . . We are in an unfortunate situation, a bit like the Island's hospital, where people complain about the hospital, but at the end of the day you have to do such a wide breadth of medical facilities for the Island because we are an Island. The same goes as far as the prison is concerned, and I believe that it is important that we recognise that there are something like 40-odd categories of prisoners. Now, in the adjacent island that situation would not happen under one roof because different categories of prisoner would be spread out throughout a region of the United Kingdom, but over here that is not the case.

So I do hope that the hon. minister takes the thing that this hon. House wants to support on a short-term basis this proposal and maybe a proposal to do with the sex offenders in order to try and stop them being a bigger danger to our children when they come out of prison, and recognises that as a temporary measure and so long as the hon. minister does not come back at a later date and say, 'Well, we voted for this proposal, now we have got to redevelop on this site instead of looking for a fair, frank assessment.' I cannot see why any member of this hon. Court cannot support this proposal because it is about decency, if not for the prisoners, for the staff that have to work there.

**Mr Crowe:** Mr President, firstly I would like to thank the minister and his team, including the prison governor, for the presentation given to members of Tynwald yesterday. Having weighed up the pros and cons of this proposal, I have decided not to vote for it on the basis that this could be the thin edge of the wedge. Any new building at the existing prison is bound to carry weight in the future for redevelopment of the existing prison, which I believe would be a retrograde step. I believe that a new build option will be cheaper in the long run than trying to extend a Victorian museum piece, and we must take into account the very real concerns of the people living in the vicinity of the prison.

It was very interesting yesterday to hear Mrs Crosby outline the need in any prison for the provision of proper facilities for training and exercise. This will involve the building of workshops and training facilities which will encourage prisoners to reform and be rehabilitated into the community. To have all of these facilities and have room for expansion will, I believe, need a new location for the prison.

I will be voting against this proposal because I believe that spending money on the present prison will increase the chance of redevelopment of the existing prison in Victoria Road.

**Mr Gilbey:** Mr President, I strongly support this resolution and I agree with much of what the hon. member for Onchan has said. I am afraid I cannot agree with the last hon. speaker; I think that the rationale is to redevelop a prison on and around the existing site, I believe the figures we have seen in other reports show this to be the most economic measure. I also think it is very logical and useful to have a prison next door to the police station in case there should ever be any problems, though one hopes with a modern prison there would not be. Also, I cannot see how the area can complain; a prison has been there for I think about a hundred years or longer, and all that would be happening would be to extend it just as Noble's hospital has been extended over the years.

I regret that I could not be at the presentation yesterday, but I have carefully read this blueprint for the development of the Isle of Man Prison Service and I congratulate the minister and those who produced this. I think it is extremely sensible to have produced a scheme of how a prison would work before you build that prison. That seems to me a quite excellent arrangement and something that perhaps should be done in other cases. I was also very pleased to read some of the statements there. For instance, on page 2 under 'Working Assumptions' it was considered that the current prison regime in which many prisoners are idle through lack of opportunity to work is unacceptable and that prisoners should only gain access to privileges if they are compliant, hard-working and involve themselves positively in training, education and reformative programmes. Regime occupation activities must be provided to allow them to do so. I think there is nothing worse than the fact that, at the present time, for the majority of the day and night our prisoners are just locked in their cells, which are not big enough, have not got modern sanitation, with nothing to do. I am the last person to believe in softness to convicted prisoners but I believe

there are certain standards that are necessary and above all they should be kept busy working rather than spending their time in idleness.

I was also glad to read in the introduction on page 6, where it said many ideas having fashionable currency in other jurisdictions, for example prisoners' entitlement to home leave, were rejected on the grounds of being neither feasible nor desirable to import into the Island. Again it goes on, 'The proposals must be appropriate to the Isle of Man and take full account of local circumstances.'

So I strongly support this report and, although the cost of a new prison is going to be extremely high, I have no doubt at all that there is absolutely no alternative to having it and it is a major priority on which we have to spend the money. Furthermore, this is not a thing that could in any way, in my view, be provided by the private sector; prisons and the police are something basic which should be provided and operated by the state.

**Mr Rodan:** Mr President, like the last speaker, I believe the department in fact is to be commended for bringing forward this resolution today. I think it shows foresight on the part of the department and recognition that we have a problem today of lack of proper segregation facilities, a situation which at the very least lays us wide open to international criticism. Therefore this expenditure that is proposed today is needed today.

Secondly, the department knows and we in this Court know that a modern prison is needed. Now at best, even if that particular decision were to be made today and a specific site was proposed, we know that at best it would still be four to five years in the future and we cannot possibly wait that long to meet the major deficiency which the department has identified and which international spotlight, if it was ever required, has certainly brought to our notice. So there is certainly full support from this political corner of the Court for the department and for the need for a modern prison facility. To wait, therefore, for the new prison for these facilities is not an option, and to build a unit using fast-track techniques, a unit that is capable of being dismantled and reused in the new prison, wheresoever that new prison might be, far from being the thin end of any sort of wedge, I suggest seems to be a most commendable example of forward planning on the part of the department, and I trust this Court will give the department the support it requires.

**Mr Lowey:** Mr President, I rise to support the resolution as printed. There is a danger in the Court this afternoon that we are debating the long-term objectives, the next move, and that is a shame really because that I think denies the authenticity of this particular proposition which is, as the last speaker said, needed not today, not yesterday but the day before yesterday. I would remind the Court that we have had two highly critical reports in recent years of the state of the prison and we are taking immediate steps now to rectify it, and I commend the minister and his department on the fast-track approach. The debate, really, whether the firm that is putting this building up has had experience pulling them down within three years - I should hope they have not been able to pull them down in three years, but the reality is, if there is a possibility, then I think it is one we should be adopting and I commend the department for that.

As I said at the start, the debate whether we should have a new prison or on the site - we have had two conflicting views; I already have a particular point of view but this should not be confused with this debate today. I think the minister and the department have attempted at all times to say this is not going to influence the final decision whether to rebuild or to redevelop the Victoria Road site, but if the minister is looking for a hint, then I am certainly on the side of a green field site, and I know that brings with it all the attendant problems. But that is not a matter for today. The matter for today is whether we should

have a segregation unit and a reception unit up there in the prison. I think they have got an excellent plan.

It is expensive, it does not come cheap, but then if we have learned anything in this House, when you go for something cheap whether it is waste disposal or whatever, in the long term it will cost you more. I commend the minister for getting the most up-to-date building plans, riding piggy-back, I think was the phrase used yesterday, on the British prison system and getting a good deal for the taxpayer of the Isle of Man. On all fronts the department on this occasion has acted in the best interests of the taxpayer and the penal system and is to be commended, and I would hope the Court will put aside their deliberations on whether it should be greenfield or redevelopment for today and go for this particular solution to a very pressing problem which we all recognise and know has got to be addressed.

**Mr Cannan:** There is just one point that concerns me in all this, Mr President. Hon. members will recall that some years ago Noble's Hospital was found to be wanting in several respects and we built a new pathology laboratory, we built a new paediatric unit, we built a new ward block, all the time knowing that we needed a new hospital. I think it was some £15 million that has been spent recently at Noble's - essential, necessary, and yet we also know we had to have a new hospital and it is being built and progressed and so on and then, when the new hospital comes in, what do we do with the new buildings? I think we all agree that there should be a new prison. It is unacceptable. I, for one - and it has been mentioned here today - feel that the prison should be taken out of the urban environment and put on a greenfield site. It was obviously a greenfield site when it was built, and an appropriate greenfield site could be Knockaloe and then, as the member for Glenfaba -

**The President:** Hon. member, it has been mentioned before that the debate should be confined to this particular issue. We are not on the construction of the new prison at the moment.

**Mr Cannan:** Sorry, Mr President. I was just emphasising the point that we are building within the prison new facilities, but we are bearing in mind at the same time - and I think it is relevant - that we will have to build a new prison, and it has been mentioned, if I can say so, by a member that he sees the need for prisoners to be given full-time employment, and I can think of nothing better than agreeing with that and an appropriate greenfield site, a farm facility, enables that sort of thing to happen. But I will say no more; I think I have made my point.

**Mr Waft:** Mr President, just briefly, I would just like the department to look on this as not a problem but an opportunity to put the problems to rights that have been going on for many, many years. Even segregated inmates do have human rights and, as long as they are aware of the Howard League committee on reform, the European Community regulations with regard to these situations, to put in place the rehabilitation, the reform, the education, the counselling that all go up with the new prison to be built - if all that is taken on board, you have the opportunity now to rectify all the problems that have been put about in the national press with regard to the Isle of Man, get the opportunity, grasp it, do it right. This is only the start, and congratulations on it.

**Mr Braidwood:** Mr President, I will be brief also. I thank the minister and his officers for the presentation yesterday. Now, the prison is in my backyard and I will be supporting this segregation unit. It is in the confines of the prison. It is essential that the unit is built as quickly as possible, which is in the prefab units, not only for the prisoners but, as has been

said, for the prison officers also. I know it has been mentioned, this £25,000 or more. We do not know the costs of dismantling, but if it was a permanent building which had been there that had taken 12 to 18 months, we would not be able to take it anywhere. (**Members:** Hear, hear.) So at least we have the process of taking the unit with us. We might lose the cladding but the units themselves will be able to be transported and I have no problems at all in supporting this segregation unit although I would not be supporting an extension to the prison on its present site.

**The President:** The hon. member for Douglas West, Mr Shimmin, do you wish to speak, sir?

**Mr Shimmin:** No, Mr President.

**The President:** Reply, minister.

**Mr Bell:** Thank you, Mr President. I suppose it was inevitable in a debate of this sensitivity that the waters would be muddied somewhat and we would end up in fact talking about two issues within one. It is probably asking too much for them to be separated completely.

The only point I would like to make on the broader issue, as I have said on a number of occasions now - and I hope those more forward thinking members would accept what I say - is that no decision yet has been taken on the new prison. This is nothing to do with the new prison at all; it is a separate issue altogether. The discussions which are taking place on the future of the prison as a whole are continuing. They will do, I suspect, for several more months yet before we come to a final conclusion. There are a number of feasibility options which have got to be explored, and I would expect most hon. members anyway to want an assurance from me, when I ultimately come to Tynwald, that all these options have been explored and that the recommendation which we ultimately make to this hon. Court is one which has been well thought through and has some serious application for the future, bearing in mind that any new prison is likely to be around for the next hundred years; it is not something we build with any regularity. So a great deal of work is going into the feasibility on the future of the prison but I can give members a categoric assurance that no decision at all has been taken yet and is likely to be taken for quite some time as to what the preferred option is. We are obviously exploring the immediate area that has to be an option but we will also be looking at other proposals as well. So I think it is unfortunate that certain members are trying to hype it up at the moment that we are already committed to the Linden Grove site. That is not the case and members will have a chance to debate and vote on what the future site is in due course when we have finished our deliberations.

The main issue which we are discussing today is the urgent need to replace the now totally discredited segregation facilities within the Isle of Man prison. Most members who have followed the saga in Victoria Road will be aware that this started some 18 months to two years ago with the extremely unfortunate deaths of two inmates within the prison. The report which came out subsequently to that, the Volino report, made strong recommendations, both about the future of the segregation unit and indeed on the standard of medical services within the prison. We have subsequently had a number of incidents where there has been very bad adverse publicity for the Isle of Man generally as a result of the conditions in the prison. We have had Home Office interest and latterly we have had the visit from the European Committee on Torture and Inhuman Treatment, the report from which committee I understand is in the hands of the Home Office at the

moment and is shortly to land on our desks here, which will undoubtedly bring more criticism on the Island.

What I have tried to do as minister and what my department has tried to do in support is to respond to the immediate problems caused by those particular incidents and international comments. We have taken all the steps we believe possible to resolve that criticism: we have immediately closed the old segregation unit; we have set up a new temporary segregation unit, which in itself has caused problems because we have had to take nine or ten cells out of commission for use as the segregation unit. This in turn has caused the necessity to introduce early release, which I know has caused some members some concern. We will be able to go some way to alleviate that shortly. We have instructed that no more than two prisoners be kept in a cell. We have reduced that from three which was, again, one of the main complaints which was made against the regime there and we have taken on extra prison officers, not only in a general sense but we are shortly to take on another two-and-a-half officers specifically to deal with the medical side of the prison, and we have improved, considerably I hope, the medical regime operating in the prison, too, which was, as I say, the subject of some considerable criticism as a result of the Volino report some 12 to 18 months ago.

So I think, in all fairness to the department, we have responded to every criticism which we are capable of doing in the short term to introduce a more civilised regime in the prison. We consider ourselves to be a civilised society. We are aspiring to appear on the international stage these days both businesswise and politically as we heard this morning. It is essential, if we are going to maintain those ambitions, that we put our own house in order and provide civilised facilities for the handling of our prisoners at the same time.

If I can briefly go through the comments, I thank Mr Karran first of all for his support. I know he has taken a close interest in this project for some time and we have had a number of discussions on it. I am aware of his concerns over the facilities for sex offenders. We are trying our best to provide a regime in there, albeit possibly inadequate at the moment, to respond to his concerns but he knows full well and understands, I think, that, given the limitations of the building that we are having to work within, it is not possible to provide the sort of totally segregated facilities that he would like to see at this stage, but it is something which I am hoping we will be able to introduce once we get the new prison under way.

He did state that, again, there are some 40 different categories of prisoner being kept in the Isle of Man Prison and that is fine, that is right, but we really again do not have any option on the Isle of Man because those categories of prisoner in the UK would be in separate prisons but those prisons would be a different ends of the country. In a small community like the Isle of Man we simply cannot do that and, to be fair to them and their families and towards the hope of rehabilitation in the long term, we need to keep them close to their families. I think the regime that we are operating at the moment is probably the only one which is practical in a small community such as the Isle of Man.

I find it a little bit unfortunate that the hon. member for North Douglas, Mr Crowe, finds that he is unable to support the resolution, that he wanted the whole of the proposals for the redevelopment of the prison before he is prepared to support it. All I can do is assure him once again that he is wrong, completely wrong, when he says this is the thin edge of the wedge, that once this development goes ahead we are committed to redeveloping the prison on this site. That is not the case at all. As I have said, this situation, this crisis has been thrust upon us by the internal problems of the prison itself and the unfortunate experiences we had some 18 months ago, together with external pressures which have

been brought on the Isle of Man and on the Isle of Man's good reputation internationally, and I think anyone who considers it desirable to develop the business community internationally on the Island, which I know the hon. member does, will recognise the need to maintain the Island's reputation in all areas, not just in business, and this international criticism, I am absolutely sure, has damaged the Island's standing in a business sense as well as a moral sense.

I thank also the hon. member for Glenfaba, Mr Gilbey, for his support and in particular his support for the blueprint for the future regime which we released. I felt this would be helpful to members to read our current thinking on what we would anticipate the future regime of the prison to be in parallel with the issue which was under debate today, because clearly the structure and nature of the future regime of the prison will dictate the size and content of the bricks and mortar building which ultimately we will put up, and it will also give myself and the department the opportunity, if members have any strong objections to any particular aspect of this document, to contact us well in advance of us making any final plans for the prison so that if amendments are required, if members are unhappy with certain areas, then we can look at the situation again and revise it in good time. It would be unfortunate to get to the stage where we design the prison and then give you the regime which you find yourself unhappy with because at that stage we will not be able to rectify the situation. So I hope members will accept the goodwill which was intended behind the issue of this document and respond, if indeed you have any criticism, in good time to enable us to react to you.

But again I thank Mr Gilbey for his support, as I do Mr Rodan, the hon. member for Garff. He rightly says that any new prison will be at least four or five years away. That, I think, is probably, the way things seem to be shaping up; it is going to be the earliest we could possibly have a new prison in situ and we simply cannot wait another four or five years before we tackle the problem of the segregation unit and try to improve conditions within that facility.

Once again I thank Mr Lowey, the hon. member of the Council, for his ongoing support. He has been in my shoes, he knows exactly what the problems are and I am sure he appreciates just how difficult a situation we find ourselves in there.

The hon. member for Michael has no reason to be concerned at the moment. We are not planning to build a new prison in Kirk Michael so he can rest easy tonight, but a green field site is obviously an option. The site that he suggests, I suppose, possibly might be considered. It has not been so far but we will be looking at a range of options before the finalisation is made.

I would also like to thank Mr Waft, the hon. member of the Council, for his support and his statement that the problem should be treated not as a problem but as an opportunity, and I think he is absolutely right. This is a great opportunity for the Island ultimately to put its penal system on a far more civilised footing for the next hundred years, and it is an opportunity which is in effect a once-in-a-lifetime opportunity which will set the course of penal treatment for a great many years to come; it is important that we do get it right and it is important that we do give a lot of thought to it.

Mr Braidwood I thank for his support, although I accept that he has reservations too, bearing in mind the location of the prison in the proximity to his constituents.

I have saved the best till last in replying to Mrs Cannell, the hon. member for East Douglas's comments. It is difficult to know how to respond, quite honestly, to some of the

comments which have been made. First of all I am criticised for bringing forward a resolution today which does not include a financial assessment of its demolition and removal. First of all, very, very few prisons, if any, are removed to a different site. The normal procedure is that when a prison is built, it is built for life. It is not moved to another part of the country a year or two after it has been completed. So it is totally unrealistic to have a list of examples of where prisons have been dismantled and moved to another part of the country. The company itself, I understand, fairly recently has completed a prison in the Liverpool area, in Fazakerley, which I understand is working perfectly well, and the UK prison service is very pleased with the standard of facility which has been provided.

The criticism, again, has been that we do not know how much the removal costs are going to be and therefore we cannot assess at this stage how much is going to be lost to government in pursuing this particular course. I can only repeat the comment which one hon. member made, that the alternative is quite obvious, to most people anyway, and that if we built it by traditional methods you would lose everything; that you cannot move it. We would be there, we would either have to demolish it if in fact we went to a new site or it would be left there to be used for some other facility. It is hopelessly naive and unrealistic to expect to have those figures, and also, again, a criticism that no local tradesmen are involved. This is far more, hon. members, than a simple construction job. If we were building a new school or a new series of houses or whatever it might be, that argument might be valid. We have a moral problem here that we have got to resolve, one which is seriously damaging the Island's image on an international basis and we have to respond to that as effectively and as efficiently as we can. We cannot quibble about whether this is providing a major input into the local construction industry. We should also remember, when raising these points, that the local industry is at full stretch at the moment anyway and probably would not welcome another scheme of this size coming onto the market at this particular time. Perhaps, if the industry was in decline and in recession there might be some validity to that argument, but at the present time I cannot accept it.

I am criticised again because I am not bringing forward the whole scheme, only, as she says, a temporary arrangement for the segregation unit. All I can say, hon. members, is that the hon. member was on the department for a period of months before she resigned and was fully aware of the background to this problem and knows perfectly well the urgency which is motivating this particular scheme to come ahead now, ahead of the overall redevelopment plan for the prison, and I think anyone, with any realistic assessment of what the political pressures on the Island might be would realise that we have had no choice whatsoever on pursuing this particular course and this is why it is here now. Likewise we are criticised because building the segregation unit will only release nine cells. Well, those are all the cells which are taken up in the present segregation unit. We are not talking about building a new cell system; we are replacing a segregation unit and releasing cells which are temporarily being used for the segregation purposes.

The final point, which I do find galling, to say the least, is that the hon. member states that rumour is amongst us and I need to come clean with the public and the residents of the area to tell them what is going on. I would suggest that the only reason rumour is amongst us is because statements such as those made by the hon. member for East Douglas in yesterday's paper, which stated that the segregation unit was going to be built outside of the prison walls, fuels those totally unfounded rumours and causes unnecessary concern to the residents living in the area when it wholly and totally untrue and one where the truth could be verified quite easily with one telephone call if in fact the member has any concerns in that area.

So I find it disappointing, bearing in mind the international pressures which are on my department and on the Island and the difficulties we have in handling the prison, that the hon. member, especially having been a member of the department herself, cannot bring herself with good grace to recognise these problems and give us the support we need today, but that, hon. members, is for the member for East Douglas to decide herself. All I can say is that we have done our honest best to resolve what is a very serious problem for the Island. I think, by the actions we have taken, we will have, once this scheme gets under way, taken the worst of the sting out of any international criticism which may head in our direction and it will give us a breathing space then to continue work on the major project, which is in fact the redevelopment of the prison itself, and once again I can give hon. members an assurance that first of all no decision has been taken but once it has been taken it will be brought back to you for full debate. You will have every opportunity to have your say and support or otherwise that scheme before any steps, any commitment is made, whether it be to a greenfield site or in fact for redevelopment on the site. So, Mr President, with that I beg to move.

**The President:** Hon. members, I will now put the resolution set out at item 9 on the order paper. Will those in favour of that resolution 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, Rodan, North, Mrs Crowe, Messrs Brown, Houghton, Cretney, Duggan, Braidwood, Shimmin, Downie, Mrs Hannan, Messrs Singer, Bell, Karran, Corkill, Gelling and the Speaker - 19*

*Against: Mr Crowe and Mrs Cannell - 2*

**The Speaker:** Mr President, the motion carries in the House with 19 votes being cast for and 2 against, sir.

*In the Council -*

*For: Messrs Lowey, Waft, Dr Mann, Messrs Kniveton, Radcliffe and Mrs Christian - 6*

*Against: None*

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

### **Supplementary Order Paper - Standing Orders Suspended**

**The President:** Now, in keeping with our earlier decision we turn now to the supplementary order paper, hon. members, and I call upon the Chief Minister to move item 1.

**Mr Gelling:** Mr President, I beg to move:

*That standing order 10.9 be suspended and that, under standing order 2.2(6), the following business be considered.*

I rise to move that the appropriate standing order 10.9 be suspended to allow the Court to consider the proposal on the supplementary order paper, that Tynwald approve the acquisition of Rushen Abbey by Manx National Heritage. I thank you, Mr President, that we have been able to bring this to the floor and I therefore move.

**Mr Cretney:** I beg to second, sir.

**The President:** I will put the resolution. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

### **Rushen Abbey - Acquisition By Government - Expenditure Approved**

**The President:** Item 2, the Chief Minister to move.

**Mr Gelling:** Mr President, I beg to move:

*That Tynwald -*

- (1) approves the acquisition of Rushen Abbey by Manx National Heritage;*
- (2) agrees with the Isle of Man Government contributing a sum not exceeding £890,530 towards the cost of Manx National Heritage acquiring Rushen Abbey, utilising sums already approved in the Land Acquisition heading in Executive Government on page 11 of the Isle of Man Budget 1998-99, (comprising £768,530 from the land bank vote and £122,000 from the Manx National Heritage property acquisition vote);*
- (3) approves Manx National Heritage undertaking a programme of works at Rushen Abbey to improve, present and interpret the site as described in 'Rushen Abbey for the Nation' prepared by Manx National Heritage, at a cost not exceeding £1,205,000, of which £500,000 will be available to 31st March 2000;*
- (4) authorises the Treasury to apply from capital transactions account during the year ending 31st March 1999, the sum of £250,000 for these purposes; and*
- (5) authorises and sanctions borrowings not exceeding £1,205,000 being made by government, to be repaid within 30 years.*

Members will recall that at the February sitting of Tynwald the Final Report of the Select Committee on Rushen Abbey was received and its recommendations were adopted. The principal recommendation made by the select committee was that, and I quote, 'The Council of Ministers should enter into discussions with Mr Lacey on the details of this proposal with particular reference to securing the proper preservation and presentation of site. Should a satisfactory conclusion be reached and should the Manx Museum and National Trust, the Friends of the Manx National Heritage or some other non-Governmental source be prepared and able to make up the shortfall, we recommend that at least the "island site", exclusive of the dwelling house, be acquired for the nation.'

In accordance with that very specific recommendation and the very clearly expressed wish of Tynwald that the Rushen Abbey site should be acquired, we have negotiated with Mr Lacey and also the Manx National Heritage to see if an agreement is possible, and I am pleased to be able to report to the Court that we have secured an agreement which the Council of Ministers feels it can recommend to Tynwald.

There have been four difficulties to be overcome in securing an agreement. We were aware of one of them at the outset and the other three became apparent as we went along. All four have some relevance to the package of proposals which is before members today and therefore deserve some explanation.

The first difficulty concerned the condition which Mr Lacey wished to impose on any sale. This was referred to in the select committee's report. The effect of this proposed condition was that if the site were not developed within a year in a manner broadly compatible with Mr Lacey's own proposals, then he would have the right to repurchase the site at the original selling price to the Manx National Heritage. Now, this condition was

unacceptable to Manx National Heritage and to government. It was the view of the select committee, when they presented their report to Tynwald, that this condition might be negotiable and so it proved. It was necessary, however, in fairness to Mr Lacey, to offer him some assurance that the site would be restored and presented properly in a manner equivalent to what he had in mind, and we concluded that the best way to do this was to put a composite motion to Tynwald seeking approval to the acquisition and also, at the same time, seeking approval to a scheme of defined work on the site. Mr Lacey could then be assured, on the basis of the defined works, the approval of Tynwald, and the voting of funds, that the site would not be left derelict. It is therefore to remove the unacceptable condition originally proposed by Mr Lacey that the motion before the Court goes beyond site acquisition and includes restoration works.

The second difficulty that emerged was that there had been some misunderstanding between the select committee and the Manx National Heritage about the sources of funds for the purchase price. The select committee proposed a government contribution of £750,000. This left something like £300,000 to be found by Manx National Heritage. Manx National Heritage had included in their calculations of their contribution certain government funds which had been earmarked for Manx National Heritage property acquisition. There was therefore some doubt about the size of government's total financial commitment. This difficulty has been resolved by the Treasury and Manx National Heritage agreeing to make available for the site purchase the sum of £122,000 which is already set aside for land purchase in 1998-99 by Manx National Heritage. So far as government is concerned, this £122,000 has to be added to the £750,000 identified by the select committee. So far as Manx National Heritage is concerned, this £122,000 will not be available for other miscellaneous land purchases during the coming year.

The third difficulty arose and concerned the total purchase price. The figure of £1,097,000 identified to the select committee by Mr Lacey was the price as at January this year. Now, Mr Lacey's approach in selling the property is that he does not wish to make a profit but neither does he propose to incur a loss. There have been interest and other costs accruing since January, and the price today, compared to January, has been increased by £18,525. Now, this figure has had to be added to government's contribution.

Now, the fourth difficulty concerned an existing tenancy. The Merry Monk restaurant has a long lease on the site extending to the year 2013. This lease relates not just to the restaurant building but grants extensive parking and access rights to restaurant patrons over a quarter, or perhaps a third, of the site. The existence of this tenancy creates some difficulties for the Manx National Heritage. The restaurant is ideally situated to be an exhibition centre for the site and cannot serve as both a restaurant and an exhibition centre. Site security and creating a charging perimeter would be difficult if the tenancy and its rights were preserved and, thirdly, a significant proportion of the site would not be available for presentation by Manx National Heritage. From the outset it was clear that it would be desirable to terminate this tenancy. We sought to acquire the site unencumbered, and happily we understand that Mr Lacey now has been able to negotiate a surrender with the tenant at a price. A further sum of £75,000 is being paid to Mr Lacey in respect of securing the surrender of the lease, but the cost of this will be met by Manx National Heritage, not government. The negotiations to secure this package have not, therefore, been without their points of interest but we have solutions to each of the difficulties, albeit at a price.

Therefore, the overall proposed package is that the site be acquired for the sum of £1,190,525. This is the price quoted in January plus the £18,525 additions and £75,000 in

respect of the Merry Monk tenancy. Government will meet the £890,525 of that cost. This is, of course, the £750,000 quoted by the select committee, plus the £18,525, plus the £122,000 property-purchase vote. In total, Manx National Heritage will need to find from its own resources something in excess of £300,000. Now, this is a substantial purchase price but it is a price which the Council of Ministers can recommend to Tynwald on the basis of what Tynwald resolved in February.

Once the site is acquired, of course, there is then the responsibility to restore the site and re-present it so as to do justice to its historic significance. This will be the task of Manx National Heritage and on the basis of past experience we can anticipate that they will do a first-class job. There has been circulated to members a document entitled 'Rushen Abbey for the Nation' which Manx National Heritage has prepared with speed at short notice to show in broad principle what they would propose to do at the site. No doubt representatives of Manx National Heritage in the Court today can answer questions of detail or expand on what is in the document if that is necessary, but clearly the trust has ambitious plans and we are prepared to recommend in principle that a sum of £1.2 million be made available in the longer term to do justice to the site. An initial sum of £500,000 from within that sum of £1.2 million is proposed to be made available this year and next to begin the works and to put the site into a decent order by the time of the millennium. The remaining £700,000 will need to be the subject of negotiations between Manx National Heritage and the Treasury as part of the budget process in the coming years. I hope we will be able to find the funds for the remaining works in the foreseeable future, but whether our resources and other priorities will allow remains to be seen. In the meantime, the £500,000 which we propose should be voted today will allow Manx National Heritage to make a substantial start on making Rushen Abbey an important component in the Story of Mann.

One point which I should make clear is that the need to produce proposals quickly for the site means that no planning permission has yet been sought and that, as a consequence, the submission of this proposal to Tynwald is not therefore in accordance with normal practice and financial regulations. However, this proposal is very much a one-off and it was necessary to put the proposal together in this way to overcome the vendor's buy-back condition. In those circumstances, the departure from normal practice is, I believe, justified.

The negotiations which have led to this motion on the order paper today have not always been straightforward but I think the outcome is worthwhile and I hope that members will feel able to support the proposal. But there were harsh words spoken between the parties at an earlier stage when other proposals for Rushen Abbey were being advanced, but it would only be fair to say that we have found both Mr Lacey and Manx National Heritage separately helpful and co-operative in the recent negotiations. In addition, I would complement Manx National Heritage on the speed and the quality of work in producing proposals for the site, and express appreciation of Treasury, who have been constructive and helpful in resolving the financial difficulties. The end result is a proposal which will allow the preservation and presentation of an important piece of our heritage and which will, I believe, command the support of members and I beg to move, sir.

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

**Mr Cretney:** Mr President, I was going to second. I do not need to reserve my remarks. I just wish to place on record my support for the action which has at last taken place in regard to Rushen Abbey. I just do believe it is unfortunate it has taken quite as long as it has done. I remember the hon. member for Castletown some years ago at that

time trying to make moves towards obtaining Rushen Abbey for the nation. This is such a significant site that it is one that I do believe is best served to be in the ownership of Manx National Heritage on behalf of the people of the Isle of Man. I think there are other sites but perhaps, for example, it is too late for Bishopscourt. I do believe Bishopscourt is another site of such importance that really it should have remained in public ownership. Sadly, that is not the case and we are talking on a historic basis now, but I do believe that the steps which are taking place today - it is unfortunate that the price is so much, it is unfortunate that it has taken so long - are something which I believe in the longer term will be welcomed by those people both on the Island and those who come to visit and take advantage of what we really have here in terms of real, true heritage.

**Mrs Crowe:** Mr President, I too would like to congratulate the select committee, Manx National Heritage, Mr Lacey and the Chief Minister's Office for a most satisfactory conclusion to what could only be called the Rushen Abbey saga. I do hope that the Court supports the proposals before us so that the Story of Mann can include this most important site, which will include the dawning of our Christian heritage on Man, and I think that the truly exciting project which has been portrayed in the booklet by Manx National Heritage is to be congratulated and the project would have my full support.

**Mr Lowey:** I rise and I will be supporting the resolution. My only reason for being on my feet is because I would think most people would say 'Well, he would, wouldn't he?' It is my backyard. However, having said that, I know we started, Mr President, today with a statement, I think, by Mr Speaker, talking about our millennium projects. I believe today, with this particular item, we will be presenting to the Manx people the best millennium project of the lot, but then I would say that, with it being in my backyard. However, could I say to the Chief Minister I do hope we do not spoil the ship for a halfpennyworth of tar and I do know he specifically said that the house, which we all know to be the Morton house, is not included in this sale and if the site is to be complete it would be very preferable to have that acquired as soon as practical and funds allow. I just would ask if there are any other departments of government who have a land acquisition bank that is doing nothing for the next three months; it perhaps could be put in to good use by purchasing that particular property for the nation. I do genuinely say that the site would be complete if we had that, and it does seem to me, if we have learned any lessons at all, that if we do not do things at the beginning and do them right it costs us more in the long run.

But it has come to a satisfactory conclusion and it is meant not as criticism but as encouragement to you and the department to try and complete the whole picture. I believe genuinely that Rushen Abbey is the seat of learning, has played a huge part in the Manx history and therefore I think it is right and proper that it should be in public ownership, and I welcome the move here today.

**Mr Cretney:** Hear, hear.

**Mr Cannan:** Like other members, Mr President, I fully concur with what has happened. I think that it is appropriate that it should be in public ownership; I have always said it should be in public ownership. The pity was that we did not, in this Court two years ago, take advantage of when we could have purchased it ourselves. But having said that, I think we ought pay tribute to Mr Lacey in the fact that he picked it up when it seemed to be unsaleable. We would not buy it, the owner could not sell it and by picking it up it has brought matters to a head, and I am delighted that it is now back in public ownership and back with a purpose. It could have been bought with no purpose behind it. Here we have, on the conditions of purchase, a purpose to restore it. We have a programme from Manx

National Heritage of their proposals. I am delighted. It is sad that for years nothing was done. On this occasion now we have to pay tribute to the member for Castletown. On that occasion we did not listen to him - we do listen to him all the time but we did not take any notice of him. But it is something that is an asset to the community like everything else and these projects, whether it is Rushen Abbey or the Queen's Pier at Ramsey or whatever, are our heritage and they should be in public ownership and restored and for the benefit of the community and tourism and the wider world. Well done, Chief Minister.

**Mr Karran:** Eaghtyrane, I am glad to see this proposal here in front of us today and I am glad to see some members have changed their viewpoint as far as this proposal today. I am glad to see the hon. member for Rushen who, when she stood for election, was asking me 'Why were you interested in this proposal?', ringing me up, 'You're the member for Onchan. This is something for the members for the south of the Island,' and I am glad to see the change of heart in this hon. Court as far as Rushen Abbey is concerned. I hope that we see this as a green light in order to get ourselves away from trying to be some sort of county council of England and the mentality of putting everything that is English on a higher level.

I hope that this proposal today should be seen with a bit of pride but also a bit of sadness. The opportunity was there when we had a proposal before the last general election by myself. We could have got a better deal but we lost the opportunity because personalities got in the way of common sense. That saddens me. I think that is something which reflects badly on this hon. Court.

There are issues that I will get on to as far as I am concerned and I think the hon. member of the Council was quite right that we do want to try and get a hold of the house that is not part of the area, but there is also the car park. I am a little bit concerned - that the Chief Minister, as far as the lease is concerned, I question whether we needed to buy out the lease at this time. The old Manx saying is beggan er veggan ny share, 'little by little it gets better,' and I believe that the sadness today is that you are having to run to the agenda of somebody who has bought this gem of nationhood of the Island from the adjacent isle when we had a Manx person who was prepared to sell the place, but once again personalities got in the way of common sense.

I would also like to say that when the hon. Chief Minister talks about the Story of Mann, it is not the Story of Mann, it is the story of the Sudreys, and the fact of the matter is that you lot would not be here only for that legacy and that history, and I think it is important if ever we are going to get away from being unsure what we are - are we Celtic? Are we Anglo-Saxon? - we have to appreciate that this is not about the Story of Mann, it is the story of the Sudreys.

I will support this proposal today because it is hopefully the green light that we recognise and value this place, that this place was in the stakes when Westminster Abbey was a tuppence-ha'penny affair and I think that it is a great honour to see us doing that.

What I also want to say is that I hope that we will unanimously buy this property. I admit we have missed the opportunity, that we could have bought it just before the last general election, but what I do hope is that we will make sure that we will have something in Rushen Abbey that is not some sort of commercialised idea of the adjacent isle, an import with inflatable monks or whatever, but that we will get something that will be worthy of our history and the history of this Island when it was part of a greater sphere and it will not be allowed, a situation where money will be wasted on gimmickry instead of portraying the real appreciation of this site because this site has other significant importance as well

as the abbey itself. So I am delighted it is here. I am only sorry that it is a bit of a reflection on the fact that personalities get in the way of common sense. We could have had a better deal. We have lost that opportunity but at least we have saved it for the nation, and that is the most important thing.

**Mr Corkill:** Mr President, I wish to be brief. I congratulate all those people who have been involved in what has been an extremely difficult deal to put together over a long period of time from a number of different cultures and backgrounds and a number of difficult issues to address, but my hon. colleague has just mentioned the green light and I would just caution hon. members that there is going to be further expenditure following on from today's motion. When that will be a certain amount is determined by the very nature of this motion, and I support wholly what is in front of us today but in terms of priorities for the future and our capital programme, we must not kid ourselves; there will be pressures to spend more and more on this site and I would urge caution because there are other priorities that government must undertake that certainly, from where I sit, have a greater importance to the community.

I think the whole issue highlights the fact that with Manx National Heritage we have a body which is not a government department. It is seen by the public as a government department. It performs a very valuable task for the community but, in terms of budgetary control, it is not the same beast as a government department and yet it is seen in the same light, and I think this is an important aspect that needs to be addressed for the future because the pressures are not balanced with regard to the priorities throughout government. I do not wish to pour cold water on a debate where we are actually achieving something and purchasing something and I think we should control this issue for the future. I have no problem with getting hold of a unique site for the Manx nation and that should quite rightly be through Manx National Heritage but I really do believe that we ought to be aware that all of a sudden this issue has shot to the number 1 in the top 10 of government priorities, and how has that happened? I think hon. members should just think through the processes that have gone on and realise that perhaps some of the issues in other areas in government departments that members are attached to may well have to slip a little bit in order to accommodate what is now a new capital programme.

**Mrs Cannell:** Mr President, I fully appreciate the concern and perhaps the air of caution that one would expect from our Minister for the Treasury but I do hope that he has not poured any cold water on the proceedings with regard to this issue. I rise in support, like every other member who has got to his feet and her feet on this. I do not think we should be bemoaning spilt milk either, as mentioned by the other hon. member for Onchan, and I am very pleased that he is so glad about this today.

There was mention that this Rushen Abbey, of course, is not the Story of Mann, but on page 4 in the 'Rushen Abbey for the Nation' it does say that the site could be professionally maintained and presented to provide a vital missing link in the Story of Mann's portrayal of the Island's Christian heritage. So it is a link and a most essential one and a most important one.

I would just like to touch on the air of caution presented by the Treasury minister when he said that he felt pressures to spend more will be put upon members as time goes by, and I have to say to that that, yes, pressures are put on members as time goes by with respect to all things, not just this particular project but on all things because that is the nature of the animal that we work in, but although Manx National Heritage does not operate, to follow the comments by the hon. member for Treasury, like a government

department, it nevertheless has to go to Treasury like any other government department and make a bid, and it is at that time that Treasury, being the last shop before you are told yes or no, has the option then of turning round to Manx National Heritage or any other government department and saying, 'Well, I am sorry, we cannot fulfil your bid for this particular thing.' So I think it was a little unfair perhaps to say that he believes that Manx National Heritage . . . the issue of the fact that it does not operate like any other government department should be addressed, because I believe they fulfil a most important and essential role for the Isle of Man and I think it should operate as it does and it should not be linked or described or controlled in the same way as a government department, because it is up to them to acquire land such as this, historical monuments, ancient monuments, sites et cetera to keep in safekeeping for the nation and for future nations, and I do not think we can underestimate that because it is extremely important.

Just briefly, I will be supporting it. I congratulate the Chief Minister for his patience and tenacity in getting the issue sorted and also to Manx National Heritage for working so very hard, and I do know that they have worked very hard to enable the Chief Minister to bring about this presentation to members today. I will be supporting.

**The President:** May I call on the Chief Minister to reply?

**Mr Gelling:** Thank you, Mr President. First of all, can I thank all the members that have spoken and been in support of the resolution. This is something obviously that has followed on since our debate in February, when there was obvious support for the principle in purchasing Rushen Abbey.

I know the negotiations have been difficult and I did suggest there had been harsh words, and so there have. Probably the negotiations over the years have been off the rails more times than Richard Branson's railway, but nevertheless always somewhere somebody has put it back on and I think this basically culminated in the select committee actually bringing it back on line just when it looked as if everything had literally failed. So therefore many people have been trying and it does illustrate the great difficulty that government has in negotiating with entrepreneurial people who themselves can make a deal and government cannot do that. We have got regulations and financial regulations and we must stick by them because we are the people who are looking after taxpayers' money, but it is a very difficult thing to do. There are disappointments. They have been expressed by both the member of the Council and the member for Onchan - Morton's house not being in and the big car park - but I think we have to realise that they probably would have once again muddied the waters and not allowed us to define what we were looking for and be able to get a negotiated deal with Mr Lacey. I hope that we can now go forward and that Manx National Heritage will, with their track record, really get a hold of this and present it to us as a millennium project because I think it will be marvellous to see that back.

I have just to correct the hon. member for Michael. I thank him for his support but of course the only time it was near government ownership or public ownership before was when the monks had it, because I think the history is that it has always been in private ownership. So this is really a first. I am delighted with the outcome. I thank all hon. members for their support and I would so move, Mr President.

**The President:** Hon. members, I will now put the resolution set out at item 2 on the supplementary order paper. Will those in favour of that resolution 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, Rodan, North, Mrs Crowe,*

*Messrs Brown, Houghton, Crowe, Cretney, Duggan, Braidwood, Mrs Cannell, Messrs Shimmin, Downie, Mrs Hannan, Messrs Singer, Bell, Karran, Corkill, Gelling and the Speaker - 21*

*Against: None*

**The Speaker:** Mr President, the motion carries in the House unanimously with 21 votes being cast for.

*In the Council -*

*For: The Lord Bishop, Messrs Lowey, Waft, Kniveton, Radcliffe and Mrs Christian - 6*

*Against: None*

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

**Main Order Paper - Members Of Tynwald (Annual Expenses)  
Order 1998 - Approved**

**The President:** Reverting now to the main order paper, item 13, I call upon the Minister for the Treasury.

**Mr Corkill:** Mr President, I beg to move:

*That the Members of Tynwald (Annual Expenses) Order 1998 be approved.*

The Members of Tynwald (Annual Expenses) Order 1998 prescribes the annual sum by way of expenses to be paid to each member of Tynwald. The order provides the authority for making such payments and puts in place a mechanism by which the amount can be annually uprated without having to seek the approval of this hon. Court each year. As the statutory authority requires, the Treasury consulted with the Joint Committee on the Emoluments of Certain Public Servants before the order was made. This order does not change the amount of expenses presently paid to members. I beg to move, Mr President.

**Mr Radcliffe:** I beg to second, Mr President.

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

**Customs And Excise Management Act 1986 (Mutual Assistance)  
Order 1998 - Value Added Tax Act 1996 (Mutual Assistance)  
Order 1998 - Approved**

**The President:** Item 14, the Minister for the Treasury.

**Mr Corkill:** If I could, Mr President, take orders 14 and 15 together?

**The President:** Certainly, if the Court agrees. Do you agree, hon. members?

**Members:** Agreed.

**The President:** Thank you.

**Mr Corkill:** Mr President, I beg to move:

*That the Customs and Excise Management Act 1986 (Mutual Assistance) Order 1998 be approved; and*

*that the Value Added Tax Act 1996 (Mutual Assistance) Order 1998 be approved.*

These two orders apply in Island law provisions to be found in United Kingdom law and the law of all other member states of the European Community. The purpose of the orders is to enable the Treasury to co-operate with member states in addition to the United Kingdom in the detection, prevention and investigation of irregularities in matters involving excise duty and VAT. The provisions being introduced are similar to those that have been available to the Treasury in purely customs matters since 1977.

The measures result from a review of the legal position carried out by the Treasury in 1997. The Island is treated as a member of the single market club for VAT and excise duty purposes. A fundamental element of membership of this club is the ability to exchange information on transactions to aid the prevention, detection and investigation of fraud against the members. Furthermore, for the systems to work effectively there should be the facility for debts in one state to be capable of recovery in another.

The effect of the orders is, firstly, to enable officers of Customs and Excise to use their powers to obtain information on behalf of a member state in the same way as they already do in matters involving just the Island and the United Kingdom and to be able to pass on such information to the competent authority of the member state concerned; secondly, to enable customs and excise to take action to recover a debt of excise duty or VAT owed to a competent authority in a member state as if it were a debt owed to the Crown. There are safeguards to ensure the Island does not have to co-operate where the member state concerned cannot reciprocate. In addition, the appeal process in the member state concerned must have been exhausted before a request to assist in the recovery of a debt can be entertained in the Island. Finally, information may not be passed on to a state whose data protection laws are less strict than the Island's. The orders have the effect of applying some of the provisions of two EC directives as amended to the Island. I beg to move, Mr President.

**Mr Radcliffe:** I beg to second, Mr President.

**The President:** Hon. members, I will put the resolution set out at items 14 and 15 on the order paper. Will those in favour of those resolutions please say aye; against, no. The ayes have it. The ayes have it.

#### **Excise Duties Order 1998 - Approved**

**The President:** Item 16, the Minister for the Treasury.

**Mr Corkill:** Mr President, I beg to move:

*That the Excise Duties Order 1998 be approved.*

The purpose of this order is to apply in Island law changes in respect of excise duties announced in the United Kingdom budget of March 17th. The order amends both the Hydrocarbon Oil Duties Act 1986 and the Alcoholic Liquor Duties Act 1986. I beg to move, Mr President.

**Mr Radcliffe:** I beg to second.

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

#### **Social Security Legislation (Application) (No. 2) Order 1998 - Approved**

**The President:** Item 17 will not be moved. Item 18, the Minister for Health and Social Security.

**Mrs Christian:** Mr President, I beg to move:

*That the Social Security Legislation (Application) (No. 2) Order 1998 be approved.*

This order applies to the Island three items of subsidiary legislation of Parliament. The amendments cover a range of issues including the form and promulgation of social security appeal tribunal decisions and the information that must be provided to a person who has agreed to pay a penalty in lieu of prosecution. All of the matters covered by the subsidiary legislation form part of the reciprocal agreement with the United Kingdom and to the extent necessary the changes have been applied administratively pending formal approval. A memorandum has been circulated to hon. members explaining the purpose of the legislation, which is being applied by this order. I beg to move.

**Mr Houghton:** I beg to second, sir.

**The President:** I will put the resolution, hon. members, set out at item 18 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

### **Slaughter Regulations 1998 - Approved**

**The President:** Items 19 and 20 will not be moved, hon. members. Item 21, I call upon the hon. Mr Braidwood to move.

**Mr Braidwood:** Thank you, Mr President. I beg to move:

*That the Slaughter Regulations 1998 be approved.*

The Slaughter Regulations 1998 made under the provisions of the Food Act 1996 provide for the protection and welfare of animals at the time of slaughter or killing and give effect to the provisions of council directive 93/119 EC.

Although legal advice has indicated that council directive 93/119 EC is not applicable in the Isle of Man, it was felt that because of the high profile animal welfare currently holds it would be advantageous to introduce legislation similar to that which is in existence in the United Kingdom, compliance with which is often a requirement of impending UK customers of the meat plant. The regulations apply to the movement, delivery, lairaging, restraint, stunning, slaughter and killing of animals both at slaughter-houses for human consumption and at knackers' yards otherwise than for human consumption. The regulations prevent persons without the necessary skills from slaughtering or killing animals and from causing such animals any avoidable pain, suffering or excitement. The regulations require the occupiers of slaughter-houses and knackers' yards to ensure that there is a person available with authority to take whatever action is necessary to safeguard the welfare of live animals on the premises, and any person engaged in the afore-mentioned activities is acquainted with the relevant legislation and welfare codes.

In addition, the regulations amend and repeal parts of the Slaughter of Animals Act 1936 providing certain requirements relating to the licensing of slaughtermen. Hon. members have previously been circulated with details and Mr President, I beg to move.

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

**The President:** I will put the resolution, hon. members set out at item 21 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

### **Electricity Supply (Amendment) Regulations 1998 - Approved**

**The President:** Item 22, the Minister for Trade and Industry.

**Mr North:** Thank you, Mr President. I beg to move:

*That the Electricity Supply (Amendment) Regulations 1998 be approved.*

The Electricity Supply (Amendment) Regulations 1998 seek to implement changes that form part of the first stage of European harmonisation of nominal voltages and voltage tolerances which have been introduced by the European Commission for electromechanical standardisation. The amendment regulations require a supply of low voltage electricity to consumers to supply at 230 volts instead of 240 volts as at present or at a voltage not exceeding 10 per cent above or 6 per cent below that voltage. In practical terms, because the tolerances of the existing and proposed regulations overlap, Island consumers will not experience any change in their voltages as supplied by the Manx Electricity Authority. The proposed changes have already been implemented throughout the United Kingdom and Republic of Ireland as well as a large part of Europe, and their introduction into the Isle of Man will not create any operational difficulties for the MEA. Indeed, the Isle of Man cannot maintain a different position to the United Kingdom and the rest of Europe on this matter as, as time goes by, it will increasingly become difficult if not impossible to order parts and equipment with the specified 240 volts.

The proposed regulations also confirm by means of regulation 2 that any consumers installation which complies with the British Standard requirements for electrical installations, BS 7671/1992 as amended, is deemed to comply with the requirements of regulation 27 of the 1991 regulations with regard to safety. The proposed regulations also make clear, by virtue of regulation 4, that a supply of electricity may not be discontinued for operational reasons for longer than is necessary, and regulation 5 makes amendments to the provisions for the notification of specified events - that is to say, a supplier of electricity is required to give my department notice in writing of certain events, including any event giving rise to a death, injury, fire, explosion or implosion immediately the event becomes known, and the regulations specify that notice may be given by telephone or other immediate means, immediately if the event gives rise to death or serious injury. Mr President, I beg to move the motion standing in my name.

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

**Mr Downie:** Mr President, a couple of points I want to make. It is all right adopting these sorts of regulations, but there are some anomalies in the system which I feel have not been addressed yet by the MEA or in fact the Department of Industry. Some months ago I brought a matter up in this Court which related to meter readings, and I want to know from the minister: in the Electricity Act there is a provision which provides for an independent person to provide meter readings or to provide an independent arbitrary process should there be a dispute involving electricity bills; I want to know if that person has yet been appointed. I also want to know: when these regulations come in and we are categorically stating now a particular voltage, who does a person go to for an independent view when there has been an outage and following the outage there is a surge and electrical equipment is damaged? For example, we know that lots of people have had trouble recently with their satellite dishes, but I can give the minister correspondence from constituents of mine when they have had videos virtually destroyed, blown off the bottom of the video cabinet when there have been outages and there have been other problems with the electricity supply. I just want to know whether at some stage in these regulations there is going to be provision made for an independent person to have a look at these issues rather than the person who has got the problem to go to the MEA and quite simply be

bamboozled all the time or blinded by science. We need this independent person, particularly with the meter readings, because at the moment, operating this monopoly it is very difficult to get another opinion and another slant on it. There is provision within the Electricity Act and I want to know when this issue is going to be addressed. Thank you, Mr President.

**Mrs Christian:** Just a small point of clarification if the minister could help, please. Section 5 refers to the requirement to notify the department in the event of certain events, including fire, up to and including the supply terminals. Does that mean the junction box on a domestic property? What is regarded as the supply terminal, please, in these terms?

**The President:** I call on the minister to reply.

**Mr North:** Thank you, Mr President. Certainly the point that is made by the hon. member for West Douglas about the independent - I will find out about that. That is not part of these regulations, which are basically technical at this stage, but if that has not already been done then I would agree with him it needs to be and when there is an outage, certainly, obviously, it is taken up with the insurers and I would like to know from the hon. member - he says he has some correspondence - whether that was dealt with properly or not, and I would like to certainly have a discussion with him about that one.

As far as the meter is concerned, the hon. member for Council, Mrs Christian, asked on that one. From memory the supply into the house - there is a seal on it and I would have thought that the meter formed part of the equipment of the MEA and, as far as that goes, then naturally other consequences would follow from that so, Mr President, this is largely, as I say, a technical motion and I beg to move.

**The President:** Hon. members, I will put the resolution standing at item 22 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

### **Gaiety Theatre And Summerland Superannuation Scheme 1998 - Approved**

**The President:** Item 23, the Chairman of the Civil Service Commission.

**Mr Waft:** Thank you, Mr President. I beg to move:

*That the Gaiety Theatre and Summerland Superannuation Scheme 1998 be approved.*

This superannuation scheme is being made by the Civil Service Commission as provided for by sections 1 and 12 of the Superannuation Act 1984. The purpose of the scheme is to apply with modifications the Civil Service pension scheme to Gaiety Theatre staff and non-manual staff at Summerland, that principal modification being that it is a contributory pension scheme. The scheme is being made in response to a request from the Department of Tourism and Leisure. The manual staff at Summerland are eligible for membership of the manual workers superannuation scheme 1977, but no appropriate provisions existed for the superannuation of non-manual staff. Therefore this scheme will make such provisions and replaces the existing Gaiety Theatre staff superannuation scheme 1989. I beg to move, Mr President.

**Mr Lowey:** I beg to second, sir, and reserve my remarks.

**The President:** Hon. members, I will put the resolution set out at item 23 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

**Rules Of The High Court Of Justice (Small Claims Limit) (Amendment)  
Rules 1998 - Approved**

**The President:** Item 24, the learned Attorney-General.

**The Attorney-General:** Thank you, Mr President. I beg to move:

*That the Rules of the High Court of Justice (Small Claims Limit) (Amendment) Rules 1998 be approved.*

The rules of the High Court of Justice (Small Claims) (Amendment) Rules are made by the deemsters and, subject to the approval of this hon. Court, will come into operation on 1st May 1998 and will apply to court proceedings commenced on or after 1st May 1998. Under the existing rules of the high court, where in any proceedings the sum claimed or the amount involved does not exceed £2,500 the case is referred by the Chief Registrar for arbitration under the so-called small claims arbitration procedure. That limit was set by rules of court in July 1995 and it is proposed that the limit should now be increased to £5,000. In the proceedings before the arbitrator the parties usually represent themselves and the rules provide that no advocate's charges should be allowed to be paid by the unsuccessful party except those which relate to the service of the summons, the costs of enforcing the award and such costs as are certified by the arbitrator to have been incurred through the unreasonable conduct of the other party.

The new rules will permit the arbitrator to award costs against an unsuccessful litigant in personal injury cases when the arbitrator is satisfied that the value of the claim appeared reasonably to exceed £250. In such cases the costs will invariably be paid by the unsuccessful party's insurers. Mr President, I beg to move the motion standing in my name.

**Mr Lowey:** I beg to second, sir, and reserve my remarks.

**Mr Downie:** Mr President, I would just like to speak in support of this. If I am not mistaken this increase up to £5,000 was introduced recently in the United Kingdom. I think the system of the small claims court works extremely well. A lot of smaller people in business who cannot really afford expensive legal representation have sought to use it, and I am glad to see that now there is this increase and I think it will benefit the small man and save him a substantial amount of money, but also enable him to pursue a grievance through the small claims court. Thank you.

**The President:** Reply, Mr Attorney?

**The Attorney-General:** I have nothing further I wish to add, Mr President, thank you.

**The President:** I will put the resolution then, hon. members, set out at item 24 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

**Coroners Fees Order 1998 - Approved**

**The President:** Item 25, the learned Attorney-General.

**The Attorney-General:** Mr President, I beg to move:

*That the Coroners Fees Order 1998 be approved.*

The Coroners Fees Order 1998 is made by the deemsters after consultation with the Treasury and prescribes the fees to be charged by coroners in the exercise or execution of their functions or obligations. The coroners' fees are reviewed biannually and the current fees are set out in statutory document SD 57/96 which is contained in the appendix A

within the Council of Ministers Report into the Method of Appointment, Powers, Duties and Remuneration of Coroners, which came before the last sitting of this hon. Court.

The fees are normally increased by inflation. The proposed fees have been thus calculated based on information supplied by the economics division of the Treasury. Mr President, I beg to move the motion in my name.

**Mr Lowey:** I beg to second, sir, and reserve my remarks.

**The President:** Hon. members, I will put the resolution set out at item 25 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

### **Treaty Of Amsterdam - Council Of Ministers Report - Motion Carried**

**The President:** Item 26, the Chief Minister.

**Mr Gelling:** Mr President, I beg to move:

*That the Council of Ministers Report on the Treaty of Amsterdam be received and the recommendation contained therein be approved.*

The European Union is a developing organisation and it changes itself by means of treaties which are agreed and signed by all the member states. Treaties are necessary whenever new member states join the union and are also necessary when changes are made to the institutions of the union or the competence of the union which go beyond what is in the existing treaties. Because of our relationship with the European Union it is necessary for all European Union, Treaties to be incorporated into the law of the Isle of Man. The European Communities (Isle of Man) Act of 1973 lists all the relevant treaties and whenever a new European Union Treaty is agreed we need to introduce a Bill to amend our 1973 Act so as to include the new treaty in that statute. There are 13 such treaties and agreements currently included in the European Communities (Isle of Man) Act of 1973.

We have in recent years adopted the practice, which I believe members have found helpful, of presenting a report to Tynwald on any new treaty in advance of introducing the necessary amending Bill. The report considers the new treaty and assesses its implications for the Island. The report is debated so that we have the clearest possible understanding of what the treaty means for the Island and when the Bill is introduced into the branches.

The latest treaty, agreed by the member states of the European Union, is the Treaty of Amsterdam. That was agreed in June of last year and was signed on 2nd October last. It will be required to be ratified by all the member states during this year and is likely to come into force on 1st January 1999. Following the pattern we have established we have prepared a report on the treaty and attached to it a Bill, which if enacted will add the Treaty of Amsterdam to the list of treaties in the European Communities (Isle of Man) Act of 1973. The original report was prepared by the advisory unit on european and external affairs and is now presented to Tynwald by the Council of Ministers.

Amending treaties are agreed at irregular intervals and this is the first such treaty agreed since the last House of Keys election. Particularly for the benefit of new members we have set out briefly in sections 2 and 3 of the report a summary of the Island's relationship with the European Union and the mechanism for incorporating new treaties into Manx law, and I hope, Mr President, that members will have found that helpful in approaching this particular issue.

The Treaty of Amsterdam itself is not one which has significant implications for the Island. It does not amend any of the articles in the existing treaties which are of particular

relevance to us, and it does not change any of the fundamentals of our relationship with the European Union. The origins of the Treaty of Amsterdam are to be found in the Treaty on European Union, which of course was the Maastricht Treaty. That treaty required the member states to review the treaties beginning in 1996 and the Treaty of Amsterdam is the product of that review. The review was commenced by an inter-governmental conference, which met for the first time in Turin in March of 1996. There had been an expectation that the review would result in a variety of institutional changes to pave the way for an enlargement of the European Union to the east. Much time and effort was spent on debating these matters, but in the end little progress was made, and the decisions that will be necessary if enlargement takes place have been deferred. What we are left with is a compendium of various topics, the most important of which are described in section 5 of the advisory unit's report. I do not propose to go through each individual item and recite the analysis provided by the advisory unit. That is clearly set down in the report.

Members will see that the European Union continues to evolve. In particular, it has set down within the new treaty statements about fundamental rights and non-discrimination and it has extended its competence within existing areas and into new areas. In short, the union continues to grow and impact more on the lives of its citizens. The important thing, Mr President, for us is to understand the implications of the new treaty for the Island and what they are.

Section 6 of the advisory unit's report considers this matter. Paragraph 6.1 of the report summarises the position when it says 'The Amsterdam Treaty does not amend Protocol 3 or any of the articles in the existing treaties which apply to the Isle of Man. It does not, therefore, directly affect the Island's relationship with the community and there does not appear to be anything in the treaty which would be to the Island's significant disadvantage or would threaten its existing autonomy. However, there must be the usual caveat that the Isle of Man might be indirectly affected because of its geographic position in relation to the EU and its links with the United Kingdom, who of course is a member state.

The remaining paragraphs highlight a number of specifics. Paragraph 6.2 refers to employment law and makes the point that whilst the Social Chapter does not apply to the Island, United Kingdom employment practice as influenced by the Social Chapter is likely to be imported at least for some workers. Similarly, policies adopted in the United Kingdom in other areas may also be influential - areas such as the environment or human rights. There will be no obligation on us to follow the lead of the United Kingdom, but where changes are seen as being beneficial we are likely to examine them and adopt a selective approach. There will therefore be EU policies arising from the treaty, which we may choose to adopt by following the United Kingdom example.

Paragraph 6.3, Mr President, welcomes the United Kingdom opt-out from the Schengen Agreement. This opt-out ensures the preservation of the common travel area, which is of great importance to us. The United Kingdom's opt-out from the chapter on asylum and immigration is also welcomed. The United Kingdom position on both these issues preserves the status quo so far as the Island is concerned.

Paragraph 6.4 refers to an amendment made by the treaty which recognises the particular difficulties of islands. Now, this does not relate to the Isle of Man particularly, as we are not a member of the union. However, it may lead to some greater account being taken of the interest of islands generally and this may prove helpful to us in the future.

Paragraph 6.5 refers to defence and foreign policy and makes the point that these are areas where the United Kingdom acts on our behalf and that to that extent, that

competence in these areas may transfer from the United Kingdom to Europe in the longer term. Then any decisions will be made more remotely from the Island.

Paragraph 6.6 refers to the extension of the Union's competence into a number of areas and reminds us that by virtue of article 4 of Protocol 3 we are required to apply the same treatment to all natural and legal persons of the EC. It follows that the Island's obligations to apply the same treatment will be extended to these new areas of competence. The practical effect of this is that in relation to these new areas of competence we must treat citizens of any other member state in the same way as we treat United Kingdom citizens.

It will be seen from this list that the Treaty of Amsterdam does not adversely affect any of the Island's fundamental interests. The Treaty represents another step in the evolution of the European Union, but it is not a step which need concern us unduly. We were briefed on a regular basis through the Home Office on progress within the inter-governmental conference whilst it was going on and there were no issues identified to us on which we felt the necessity to make representations.

Mr President, we are required to incorporate the Treaty of Amsterdam into Manx law and to introduce legislation for that purpose. The Council of Ministers proposes the introduction of the European Communities (Amendment) Bill of 1998, which will add the Treaty of Amsterdam to our legislation, and the Bill is attached to our report. Mr President, I beg to move the item standing at number 26 on our agenda paper this afternoon.

**Sir Miles Walker:** Can I second, Mr President, and reserve my remarks, please.

**Mr Gilbey:** Mr President, I thank the hon. Chief Minister for his very full remarks about this matter, but I have studied this report by the Council of Ministers, and although the report goes into considerable detail I think it really tells us the wrong things. It tells us exactly how we will not be affected, but it does not tell us how we will be affected. For example, if you read the explanatory memorandum to the proposed Bill it says the Bill provides that certain parts of the treaty signed at Amsterdam on 2nd October 1997 amending the Treaty on European Union, the treaties establishing the European Communities and certain related Acts are included among the community treaties. Those parts of the treaty which relate to co-operation in the sphere of foreign and security policy or police and judicial co-operation in criminal matters are not included. The excluded parts contain inter-government matters which do not give rise to community rights and obligations. So we are told what does not affect us but if you look at the Bill itself, what we are including, it says, '... and the following provisions of the Treaty signed at Amsterdam on 2 October 1997 amending the Treaty on European Union, the Treaties establishing the European Communities and certain related Acts - (i) articles 2 to 9; (ii) article 12; and (iii) the other provisions of the Treaty so far as they relate to those Articles,' and then it goes on about the protocols. Now, we are not told anywhere just what articles 2 to 9 and 12 are about. I have been to see Mr David Killip in the external affairs division of the Chief Minister's Office, who as always was extremely helpful and has given me copies of these articles, 2 to 12, which are this thick and relate to various things. Unfortunately I have not had time to read them all. Some things are clearly not relevant but I think it would have been helpful had we been told exactly what they do refer to instead of being told what is not included, but Chief Minister, I would not ask you to explain all this now. I would hope that before the Bill comes we might have a seminar or presentation on it at which these matters could be discussed further.

**Mr Cannan:** Mr President, this Court's - Tynwald's - Standing Committee on Constitutional and External Affairs has not had time to examine this report. We are having a meeting next week but I would like to assure members that we will be looking at this before the legislation is placed before the branches, and if there are any matters of concern members will be informed accordingly, but on first appraisal of this document there does not seem any reason why it should not be supported.

**The President:** Reply, minister?

**Mr Gelling:** Yes, Mr President. I think, in answer to Mr Gilbey, the short answer would be that those particular areas were not applicable to the Isle of Man but, having said that, certainly taking on board what the hon. member has said before the Bill does come before the branches I am quite sure that will be made quite obvious to all members of this Court. So basically what we are doing here or what we are suggesting is that a Bill be put into our legislation or into our Keys which really brings the treaty into Manx law, and that is really what we are suggesting in this resolution today, sir, and I so move.

**The President:** Hon. members, I will put the resolution set out at item 26 on the order paper. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

### **Announcement Of Royal Assent**

**The President:** Now, hon. members, I have to announce that Royal Assent has been given to the Banking Act of 1998, the Brewers (Amendment) Act of 1998 and the Companies (Transfer of Domicile) Act of 1998 on this day, 28th April 1998. An appropriate time, I think, for the Court to take a break, and we will resume at 5 o' clock by the Court clock. Thank you, hon. members.

*The Court adjourned at 4.37 p.m.*

### **Island-Wide Economic Development - Council Of Ministers Final Report - Motion Carried**

**The President:** We resume our consideration of the agenda paper, hon. members, at item 27 and I call upon the Minister for Trade and Industry.

**Mr North:** Mr President, I beg to move:

*That the Council of Ministers Final Report on Island-Wide Economic Development be received and the conclusions therein endorsed.*

I am sure that I speak for all my colleagues on the Council of Ministers Island-Wide Economic Development Committee when I say that being involved in this particular investigation has been a most interesting exercise. I think it is also fair to say that each one of us joined the committee with certain preconceived ideas, and by the end of the investigation each one of us had had our perception of regional imbalances around the Island changed to a lesser or greater extent. We did not, however, as some members will be sad to find, find any magic wand.

Of particular interest and importance has been the bringing together of a whole range of statistical information as part of the committee's investigations. For the first time this report includes statistical information on regional employment opportunities, traffic movements, business attitudes to location, data on visits to government departments and offices et cetera and a number of very interesting economic indicators. If we simply take the sum total of these statistics the conclusion is that there is no regional imbalance around the

Island. However, as I am sure we would all agree, there is more to the regions of the Island and our individual communities than just simple statistical indicators.

It has also been useful to have a period of public consultation and to invite the views of the general public on this issue. One of the main messages coming back from the general public has been a perception that it is retailing in the outlying regions which is suffering and that, by and large, the decline in regional retailing is as a result of the growth of retailing in Douglas. One of the other suggestions made by the general public and also by a number of hon. members is a suggestion that a number of government departments and/or offices should be located to the regions as a way of government taking the lead in relocation and providing a local stimulus to the towns in which they were relocated. The committee were firmly of the view that the relocation of a government department or office would not be a cost-effective solution. The cost of building or converting a premise for use by a government department at a time when there is already tremendous pressure on government's capital programme would not, we believe, bring about the desired objective of stimulating retailing in an outlying town. Retailing is one of the most dynamic sectors of the economy, not just here on the Island or even in the United Kingdom but worldwide, and we should not kid ourselves that we can effectively manipulate the retail environment in order to retain traditional retail patterns. It is the customer at the end of the day who is deciding what he or she wants to buy and where they will buy it from. What the Island can do, however, is to provide attractive, cost-effective, retail facilities for the general public in order to try and prevent goods from being purchased off the Island or via mediums such as mail order shopping channels on the television or the internet.

It was the view of the committee that the best way forward to provide additional economic activity in the regions and the towns was by way of the planning process, to designate specific areas for commercial development and to identify and encourage specific initiatives for particular areas and towns. We have already seen the building of the House of Manannan in Peel, which will encourage more visitors to spend money in the town, and we are also very hopeful that the Ramsey harbour front regeneration project will progress and provide the necessary focus to bring about further redevelopment in Ramsey. In fact, I think it was unanimous on the committee that it was vital that that project be given all the support that government can give it. Port St Mary is another town which has not benefited from the economic growth in other areas in recent years and there is much support for the construction of a marina in the town -

**Mr Cretney:** Village!

**Mr North:** Sorry, village - following on from a start on the Ramsey harbour regeneration project and the inner harbour water retention in Douglas.

These are all specific one-off schemes for those towns I have mentioned and villages, and I am convinced that it is by encouraging such one-off specific schemes relevant to the towns in question that effective economic regeneration will be achieved in those areas.

I should also like to emphasise at this stage that it was also the view of the committee that, whereas Douglas has benefited greatly from renewed economic activity in recent years, much has still to be done in the Island's capital, and any developments of the regions must not be at the expense of the further redevelopment of Douglas.

As hon. members will have seen from the report the committee has identified a series of measures which could be brought into play as and when necessary to stimulate further economic activity in specific areas.

The world we are living in today is a world of constant change and globalisation, and it is taking place on a wide range of fronts. Also, economic circumstances can change at very short notice. In order to take the work of the committee forward, the Council of Ministers has agreed to propose two specific initiatives. The first is to send a copy of the committee's report to each local authority with an invitation to them to propose one-of initiatives to stimulate economic activity in their own area; and secondly, picking up the general concern over retailing, to refer the issue of retailing generally, and of retailing in the regions specifically, to the Department of Trade and Industry for further investigation.

I look forward to hearing the comments from members within the Court. I know, as I have said, we did not have any magic wand to wave for Ramsey or for Jurby or for Port St Mary and Port Erin, but we do think that there are specific initiatives that can be done and that the local authorities can come forward and progress together with government and to ensure the future of the Island generally, and I look forward to listening to the suggestions from hon. members before I sum up. I beg to move.

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

**Mr Karran:** Eaghtrane, I personally find this report . . . there is nothing in it, I do not think. (**Members:** Hear, hear.) I will be honest with you. I think the only thing this report would be used for is that if you were some sort of green environmentalist you would be hit over the head with it for wasting the tree that has produced the paper for the report! There is nothing here. I think, Chief Minister, the time has come for us - if we are going to have these reports, let us stop them having these situations where one is examining one's own navel and have a situation where you have a few people on these committees who are not part of the ministerial circle and maybe we will get a report that is worthy of the paper that is in this report in the first place.

I believe that there is a more important issue apart from the widening of the economical development on this Island. It is about our society, our way of life on this Island. If we create urban sprawl all around Douglas and Onchan we will end up without the sort of community, the sort of way of life that many people were attracted to this Island for, and I believe that one of the reasons why we have got to force people into the eastern part of this Island is because that is where all the work is, and it makes sense. Now, I believe that in this report there is not anything of anything. Did we hear of Jurby and the possibility of opening the airport for freight services? We know it cannot be opened for passenger services and I accept the economic argument as far as that is concerned, but if we are trying to have a diverse economy in this Island and we want light industry in this Island that is the sort of thing I believe that should have been in this report saying, 'Right, we want the Department of Transport to price out what it would cost for the opening of that airport.' Maybe we would create a few jobs up there instead of all the jobs around Douglas, all the congestion around Douglas. This is the problem we have got. Nine o'clock this morning was reality to me! (*Interjections*) When I came in this morning. . . You come in at 9 o'clock and you see the chaos as far as the transport on this Island. Now, I do not need any lectures from any member in this hon. Court as far as workload and time are concerned. As I say, I miss the half-five rush because I am generally still in this building when very few other members are in this building, but if we do not address this issue seriously we are going to . . . We have got people talking about cleaning the gutters when they are going to end up having storm water being mixed with sewerage up to Meary Veg, we have the situation where people are talking about the disc parking when we should be looking at the core problems when the fact is we should have a proper free transport system in the Douglas and Onchan area, and what we have here once again is playing with our navels in

that we are not looking at the core problems of our society, and I believe that this report is not even worthy of support, in my opinion. It is so important that if we do not create the jobs outside Douglas we are going to destroy the rest of the Island, and everybody is pushed into Douglas and then we have urban sprawl and we have all the social problems.

I hope, Chief Minister, you have a second bite in this hon. Court and put some people on this with a bit of imagination who are not frightened to stand on a few toes and let us get some action on this thing, because we have a number of serious social problems that have a major effect because of our inability to address this issue of getting some sort of employment outside.

I would just say one last thing. When we heard the mover say, 'Oh, well, we do not want pay any money out on developing offices outside Douglas', the fact is, we are paying a phenomenal rent at the present time taking up finance sector accommodation. We are paying through the nose for it. It would make economic sense for us to be prepared to allow smaller organisations and, if we made the financial package proper, I believe many small organisations could afford to be moved to Peel, Ramsey or even Port Erin or Port St Mary, but the fact is there has to be some sort of financial package there in order to get departments out of Douglas in the first place, and there has to be also some financial package for businesses as well. A crying example is the old mill place, grain store, across the road from the Peel heritage centre. That is the sort of place that could be a small office development where the government could do that and create the ability for businesses to get outside Douglas and help ease our parking problem.

**Mr Singer:** Mr President, when the interim report was discussed late last year I commented at that time that there were few positive recommendations, and I hoped that these would be forthcoming in the final report, not just passing the buck, as the minister has just indicated is the committee's recommendation. It was with a great sense of disappointment, discovering that this final report promotes the attitude of 'Well, let us sit back and see what happens.'

The final paragraph of this report's conclusion, when commenting on the new generation of local town plans, says, and I quote, 'It remains to be seen whether the plans will come to fruition and will bring benefits that are hoped for. If they do not, then specific additional initiatives as in chapter 8 may be needed to ensure that all the Island can share in the future prosperity which is part of the government's central policy objective.' If government accepts that conclusion as it is written then they will be sadly failing in their duty to the people of this Island and to their supposed objectives, as it is quite obvious that nothing will be done on a voluntary basis to tackle any potential difficulty before it becomes a problem.

Does the government really believe that the bland statement that the local plan will be a catalyst for regeneration if applied to areas well away from Douglas - somewhere like Jurby, for example - that that area, when they receive the local plan, is suddenly to become overwhelmed with new industry and employment opportunities. Of course not. This will only ever happen with positive government encouragement and direct input and when we refer to chapter 8.2, where there are these eight options for incentives to promote development. It appears from these, though, that the report's recommendations is that the government is only to be reactive. The snail's pace at which government often tends to work will mean too little too late when that time occurs. Meanwhile, the committee rejects the comments it did receive indicating the view that there are definite regional economic disparities and the need for government intervention.

I would not dispute that different areas of the Island need to be considered individually, and the report's conclusions do state that carefully assessed initiatives could be introduced to specific areas, but you have to ensure that you carry out the lifeboat drill before the ship is sinking.

As a representative of Ramsey in the north of the Island I would like to refer to aspects of this report as it affects my area. Since the discussion of the interim report we do have the possibility, subject to a successful feasibility study, of commencing a regeneration project in the town with a marina facility. Of course, this has been greeted with great enthusiasm as it brings with it the potential for aspects of growth within the local economy. The important word, however, is 'potential' and the possible development is not a reason to sit back and say, 'All is well,' because it is not.

The report acknowledges that at the present time the north of the Island is behind as far as opportunities are concerned. Unemployment is greater and, as time goes by and no positive steps are taken, the north will slip even further behind. It is not just any jobs that are needed but jobs of quality and high remuneration. During the last two debates on this subject I demonstrated the lack of part- and full-time skilled and professional opportunities available outside of Douglas, particularly in the north and the west. Only positive incentives to businesses to move to these areas will create these needed opportunities, and this encouragement has to come from the government. Six hundred or more people per day travel from Ramsey to Douglas to work and this is where they will chose to spend their money because that is where they are working, not, as the minister said, chosing to spend their money and deciding, 'We will go to Peel today and we will go to Ramsey tomorrow.' They spend their money basically where they are working.

I listened to Manx Radio last week when a large employment agency was seeking applications for job opportunities, and a job in the finance industry was available in Ramsey and the spokesperson was almost apologetic that the successful applicant would have to travel to Ramsey every day. It is that kind of comment that appropriately sums up the frustrations of the many people who are forced to travel from the north and other areas into Douglas to find suitable employment. This report's attitude of 'let's sit back and see what happens' will do nothing to encourage new opportunities, new investment outside of Douglas.

The possibility of the transfer of government offices from Douglas to other areas of the Island is in my view treated in a most negative manner by the report. (**Several Members:** Hear, hear.) I had hoped for positive encouragement to boost the economy, not only for the north of the Island but Island-wide so that more and better jobs would bring more people to work and therefore probably live in these outer areas, this bringing with it a boost in the commercial sectors and the retail and service trades.

The report indicates the various responsibilities and efforts of several government departments to stimulate economic growth: Treasury, tourism, trade and industry, but are they working individually or together? Surely we need to see them working under one umbrella as a Department of Economic Development. We are a small island compared to the UK, but if you are an older person, a person who does not have their own transport, a parent with a young child, all of these adults who may be highly qualified and seeking work, making the 15-20 mile trip to Douglas where the work now is is just as impractical as relocating from London to, say, Newcastle. There are people outside Douglas who want to work, who want to contribute to the economy and to their own family security and prosperity and who are not being helped one iota by this negative report.

At its sitting in February 1997 this hon. Court approved the following: that 'the Council of Ministers review the measures used to encourage and cultivate positive economic development and report to the July 1997 sitting on whether those measures sufficiently take into account the need to stimulate development on an Island-wide basis.' I would say to this hon. Court that those instructions have largely been ignored. Many areas of businesses within the Island have not been consulted and therefore there is not the correct statistical information, and this report has no specific proposals. The inference that all is well is offering a false sense of security and many of the people of the Isle of Man who were hoping that there would be a change of emphasis in that economic development should no longer only be encouraged to centre in Douglas they will believe they have been sadly and badly let down. Thank you, Mr President.

**Mr Gilbey:** Hear, hear.

**Mr Bell:** Mr President, I have always believed that the willingness of Manx people to accept the radical changes in Manx society which have taken place over the last few years as a result of the burgeoning finance industry in particular have been almost entirely dependent on the necessity for the benefits of that growth to be felt throughout every quarter of the Island. Failure to do so will breed dissatisfaction, discontent and ultimately hostility to the growth which we all need to maintain the services for the Island. That has been my strongest belief for a great many years and has motivated a lot of my support for many of the government policies over that time. So when we finally got to the situation a few months ago of setting up this committee with its remit I was hopeful that for the first time it would have taken a dynamic look at the failure in certain areas of the Island to achieve what I see as the ideal goal for government and its policies.

I have to say, though I am a member of the Council of Ministers myself, I have received this report with total and utter disappointment. So much hope had been pinned on this committee coming up with something positive, constructive and helpful to the outlying regions on the Island and they have, I am afraid, totally failed to identify and understand what the underlying problems basically are. I have to say I find this report very much in the same mould as my hon. colleague from Onchan. It is superficial, it is complacent, it is naive, and I hate to say this about a government committee but I cannot find any other words to describe it. We have a document here which would appear to have provided us with all the statistical information that we need to draw our conclusions but there are large areas which have not been touched on at all. My colleague has referred to a number of them, but we have superficial references to a number of areas which need addressing or stimulating to achieve economic growth, yet we have large areas such as, for example, tourism and the impact tourism can have on the regions virtually unmentioned throughout the whole of the report; we have no attempt to investigate the demographic changes being generated by the economic growth in the Island, and this to my mind has to be one of the greatest concerns for all of us because there is no question - and I am sure Ramsey is not alone in this - younger people are being drawn more and more and more into the centre of Douglas not only to work but they are living here as well. That means they are deserting the regions. We are left with an ageing population out of town. There may appear to be a prosperous population but it is ageing and ultimately it has to be replaced. This in turn is building up the pressures on Douglas because we have to provide more housing in Douglas. We have got more or less an embargo on greenfield development in the centre of town. Therefore the inflationary effect of this policy ultimately is going to have a serious detrimental effect on the town itself because house prices, I understand, already are rising faster in the Douglas area than anywhere else on the Island. Sooner or later, if this policy

continues, we are going to be under great pressure now to start building more council houses, more property to rent, because younger people, even though they have got jobs in the centre of Douglas, will not be able to afford to buy their houses. We are stoking up the fires of inflation not only at the cost of the regions but ultimately at the cost of those who live in the Douglas town centre and suburbs themselves.

We need to be very clear on this and yet the whole question of demographic movement on the Island has been totally missed from this report, and this to my mind long term is one of the most serious implications of what we are trying to achieve. It is drawing the life-blood away from some of our towns and villages. Ultimately there will be fewer younger people in there. We have to look then to the silly situation, for example, that we have in Ramsey at the moment. We have pressure on the Department of Education to build a new secondary school in Douglas, when we have probably the best part of 200-odd places still available in Ramsey Grammar School because all the young people have moved into Douglas to live. It is a complete nonsense of a policy that we are pursuing by not recognising the damage that this is doing and the imbalances that we are creating.

The hon. minister, in moving the report, has stated that the committee started with preconceived ideas. I have to say, after reading the report, I do not see any change in those preconceived ideas. They are still embedded in the I was going to say recommendations but I do not find any recommendations in the report to refer to, but in the discussion part of the report itself.

We find now that the recommendations as such are in effect passing the buck on to local authorities and saying, 'We haven't got any ideas what to do with it but if you have got any ideas locally, come and see us and we will look at possible ideas for stimulating local economic activity.' We are looking for dynamic economic leadership from government and from the Department of Trade and Industry and I have to say that in this report it is not present.

We are also told that the issue of retailing and regional retailing will be referred back to the Department of Trade and Industry for further investigation. Now, the Department of Trade and Industry is the area which has got responsibility for retailing in the first place. I just do not see what we are gaining by making that empty comment. Nothing is going to change at all, so that the two recommendations which have been referred to by the hon. minister are really totally irrelevant.

We are being told that a number of initiatives have taken place or are in the process of taking place to stimulate regional activity, and the heritage centre in Peel has been quoted as one example, and I supported that and I do believe it will bring an increased level of business into that area.

We have also had referred to us the situation in Ramsey with the now approved - initially anyway - in principle Ramsey harbour regeneration scheme. Now, that is fine. We have got it through Tynwald, Tynwald has approved it, and one would hope it is moving on. But I would remind hon. members the level of seriousness with which this hon. Court has taken that particular issue over the years and it has taken five years from the start of this scheme to get it to Tynwald for approval in the first place. That was the seriousness that was given to the problems facing Ramsey and the north of the Island, and having said that, I could just tell hon. members, although this resolution supporting the Ramsey yachting marina and harbour regeneration took place in January of this year, the first meeting between the developers and representative of the department charged with leading government's involvement in this took place last week, some three months later. That is the

urgency with which government is addressing the problems of economic regeneration in Ramsey, and I have to say I do not find that acceptable and neither do the people of Ramsey.

There is a problem there. There is a need to tackle these problems with an open mind and with some urgency and with some dynamism, and I have to say that there is no evidence at all in this report that any of those qualities are apparent. The attitude which comes out of this document to me, as I say, is one of complacency. It is a feeling that, 'Well, the Island is doing all right, Douglas is booming, we have got low unemployment: what are we worrying about?' There is no concern but neither is there any long-term planning, there is no real indication on this where we are going economically and how we intend to integrate the regions into that growth long term. It is bordering on smugness in places, I think, when we are reading the comments within this document.

I said at the outset that I also believe this report naive, and perhaps naive is too strong a word, but it is quite clear from the discussions which have taken place with the private sector first of all - particularly in the finance industry, as that is virtually all they have spoken to - and government departments, which would appear to be the Civil Service, that the committee has simply taken at face value the comments made by both these groups that they do not wish to move out of Douglas. It seems to have been a very narrow poll that they have taken amongst the various bodies concerned and without going any deeper into the issue they have simply taken the fact that it would be disruptive for the private sector industry to move out of Douglas and it would be inconvenient for the civil servants to move anywhere from the triangle. Now, there are times when this government not only has to manage and provide confident government for the Island, it also has to give leadership and where there are problems it has to break new ground perhaps, to find ways to bring about a solution to the difficulties, and I would have hoped for a far more creative approach from the committee both to the prospect of certain government departments being devolved from the centre of town to the regions and likewise more creativity again in dealing with the private sector and perhaps providing them with some incentives, some carrots to dangle before them to persuade them to look more favourably on moving to out-of-town locations.

It is not sufficient, as I think my hon. colleague has said, to fall back on the claim that the local plans will be the catalyst for economic development. It will not happen unless it gets some stimulation. We have a situation in Ramsey, for example, that there are two areas now likely to be designated for light industry. Both of those are completely locked with the owners. There is no indication at all that they are prepared to release it short term for development. Now, if we find ourselves in the situation where the landowners are not prepared to release the land for this development, zoning means absolutely nothing. It still means that we have not got any land in Ramsey capable of being accessed for industrial development. Again there is no recognition in here when it refers to planning, and I accept entirely that planning has a major role to play in regional economic stimulation but there are no proposals in here for tackling problems where land may be zoned but is unavailable to the market. And again, unless we do get to grips with this, unless we give some positive leadership on this and come forward with a constructive alternative approach, we are still going to find that all these proposals are completely frozen because of the ownership issue of the land.

I do not want to go on any longer than this. I have to say I am just expressing my deep disappointment in this report today. There has been a failure to recognise the fundamental problems and fundamental concerns which are heartfelt. It is not a flippant comment when I say that there are strong worries in parts of the Island about the way the

towns are developing, the way that the local societies are developing and the way the local economy is developing. We need to, I think, refer this back to the committee and I would hope the minister will take it back and look at this issue again in a more in-depth manner and perhaps by broadening out the committee by bringing in people who are more involved with economic development than perhaps has existed on the committee at this time.

Some parts of the report are fine. They give us to a certain extent a degree of statistical information which perhaps has not been available before, not in one document, but it does not go far enough and it does not go deep enough, and I have to say, unless I can hear words to the contrary, to reassure me that further action will be taken and that in effect this report, as it would appear at the moment, will not simply go on the shelf as yet another loose end tied up and nothing more happening to it, I will have no option but to vote against this report today and urge all hon. members to do the same.

**Mr Cannan:** Mr President, I would just like to say that my views are the same as those of the previous three speakers. This report is the usual platitudes, the usual 'Do nothing', the usual negative 'Everything is all right.' I would urge the Chief Minister in this debate to listen carefully to what is said because he represents the whole Island and the thing that disturbs me, when we had the interim debate on the interim report, some of us made suggestions to improve, and the committee, these hon. ministers, seem to have taken no notice. Whether they read *Hansard* or not, I do not know. But briefly, some of the suggestions were we have a ministry of agriculture, fisheries and forestry which is on a split site. The forestry division is in St John's. The agriculture, which is not an urban pursuit, unlike the finance sector which we all understand needs to have its government offices here in Douglas, is a rural pursuit and if half the department is in St John's, there is no reason why the whole department cannot be in St John's. And if we look at the appendix and we see that 120 people visited the department, I suggest that of those 120 that visited, very, very few of them were Douglas residents. I cannot think of Douglas residents wanting to visit the Department of Agriculture. I suggest that they were farmers who had to come in to Douglas because that is where the department is, and to suggest that government departments cannot go out, well, there is one example. Another example is the Water Authority. Is there any reason why it cannot be where its works are? I suggest none at all. Data protection - is there any reason why that could not be put to Ramsey?

**Mr Corkill:** It is in Onchan. Leave it alone.

**Mr Cannan:** Ah, it is in Onchan. I beg your pardon. I knew it was in Onchan but Onchan has already got all the economic development it can cope with.

**Mrs Hannan:** Come off it!

**Mr Cannan:** The area of Peel which the hon. lady has said about has had a £6 million development, and I supported it and I will support its swimming pool as well, but there are other areas outside.

The report said, in looking at Ramsey and the north, page 31, it goes on, 'A local plan for the Andreas area is on a schedule of plans to be progressed by the Department of Local Government and the Environment although at the present time, it has a relatively low priority whereas the Plan for Jurby is currently being progressed.' That statement was made five years ago: 'currently being progressed'. It has been progressed for five years and still they have not presented it here, and it is my view that the biggest opportunity for development is in the north of the Island. The government owns, Chief Minister, an airfield. It owns an industrial estate. It owns acres of land for residential development. This drum

has been beat time and time again in this Court. Members, including myself and the other hon. members, go to chief executives of the relative departments, either to get some movement for the airfield or for some movement on the industrial site and always we are fobbed off with platitudes.

The big downside of this report is there are four ministers' signatures on it. The committee has not gone to interview or to ask to interview the relative people who perhaps on the ground know a bit more about what the situation is on the ground.

**Mr Brown:** Is that more than your leader?

**Mr Cannan:** The situation is that parts of the Island are being of opportunity. The minister presenting this report has talked of a one-off for Peel, of the hope for Ramsey with the marina and the restoration of the Queen's Pier. This afternoon I voted for the improvements at Ballasalla. They are very necessary. They are going to assist your constituency, Chief Minister. But there are areas in the Isle of Man where there is an attitude of negative complacency. It is out in the distance: why bother? But you have got real estate there, Chief Minister, undeveloped, real real estate. It is shameful that while the Island is developing, while the Island is flourishing, nothing is done and when you approach a department, such as I did recently, yet again - I have been here 16 years asking for something to be done for Jurby airfield - we are just shrugged off with, 'It can't be done.' You go to see the chief executive of the Department of Trade and Industry, or he was the Department of Industry, and I have been for years: 'What are you going to do about this industrial estate at Jurby?' And it is just shrugged off: 'Ah well, but maybe . . .' People are beginning to say on the one hand you are saying Douglas is congested. My word, we had a 9 o'clock assembly this morning and like the hon. member there who certainly had his eyes opened, I think all of us had our eyes opened at the total congestion -

**Mrs Hannan:** It is the same every day.

**Mr Cannan:** - of trying to get in at a particular hour, if you want to get in and park. But you can see it. You can see it the same at half past five, 20 to six, and what is needed is a spread of economic development throughout the Island. Every country, Chief Minister, does it. The UK have their traffic licensing in Swansea. They have their national health prescriptions all priced up in Newcastle, the pensions in Newcastle. It does not detract from the general wellbeing of government administration. It is the same in other developed countries. They are able to spread the load. And I am extremely concerned, Chief Minister, that there is this situation where isolated pockets do not receive their proper attention.

As I have said, we voted for Peel to give it a boost and quite rightly and, my word, it has had a boost. I think by the time the figures are disclosed from Manx National Heritage something like 50,000 people will have been through in 12 months. Ballasalla today, Castletown's castle has been done, the streets of Malew Street, Arbory Street paved. Development has been done. But as I say, there are other areas that need it, and I say to the minister who moved this and he says, 'one-off situations'. Well, there is to be a TT museum, and I would like to see it at Jurby and I will tell you why. We have road racing out there. The motorcycles, as the hon. tourist minister knows, have their almost monthly races on the airfield. They have the Jurby short circuit racing twice a year. If you are going to put it somewhere, put it somewhere where it will generate some business.

But above all, Chief Minister, I do ask that the message goes out from your office to chief executives of departments - not to properly utilise government real estate, an airport that is being left, an industrial estate that is not encouraged for use and all the land for

residential area. I will say fortunately we have had one company move there, Packaging Matters. They have moved into a refurbished -

**Mr North:** With half a million from government.

**Mr Cannan:** Yes, I acknowledge it. And it has improved the situation, but one swallow does not make a summer, and if you go onto that industrial estate, it is in need of improvement and refurbishment and upgrading and I do not believe that you could deny that it is in need of refurbishment, upgrading, and that is an area which will generate jobs throughout the north of the Island. In past times when the RAF were there, there were a lot of civilian jobs that provided employment throughout the Isle of Man, and what disturbs me - and I have said it three times already - is the lack of interest in government real estate, the government's real estate, Chief Minister, and the attitude that when you go to the departments to see if anything can be done, you are just brushed aside, and that is wrong.

I will say no more. We have made our case for the north of the Island. It may be all right for Douglas: they are flourishing and booming. But I recall the times here earlier when Douglas members were up wanting development and prosperity in their community too, and it is only right and proper that while you have got it in Douglas, it should be spread throughout the Isle of Man.

**The President:** Before calling on the next speaker, hon. members, I should like to welcome to the Court members of the UK Foreign Press Association and we hope that your visit to the Island will prove a very happy one. (**Members:** Hear, hear.) The hon. member for Rushen, Mrs Crowe.

**Mrs Crowe:** Thank you, Mr President. I too looked forward to the publishing of the review. The remit of the committee was to review the measures to encourage and cultivate positive economic development. Now, this report contains no positive ideas for economic development. It does not contain even a seed to cultivate any development. The report is purely a collection of statistics.

Yes, we can have a marina in Port St Mary, but only after the housing development with water gardens that is going to take place in Ramsey and the regeneration of the inner harbour at Douglas, despite the fact that every visiting yachtsman that was surveyed preferred to have the marina in Port St Mary. We are getting a little tired of being patted on the head and told to wait.

**Mr Cannan:** Like Jurby.

**Mrs Crowe:** I am afraid I cannot support the minister who says that retailing is a dynamic industry. Certainly not in Port St Mary it is not. Did the committee visit any of the areas that were mentioned in the report?

**Mr North:** On a regular basis.

**Mrs Crowe:** It is just a statistical brochure that we have been presented with and I do feel that the whole remit of the committee needs to be re-examined and needs to be properly addressed with the input of economic development experts and certainly involvement of the private sector, and really I just could not support this report that goes no way to encourage or cultivate positive economic development.

**Mr Brown:** Mr President, well, as a minister and a member of this committee I have been interested to hear some of the comments that are being put forward and also as somebody who is not a Douglas member but lives in a region and has business commitments there I suppose I can accept some of the points that are being made.

However, I want to make a number of things clear. One is that the committee certainly were not smug and if that has come over in the report I suppose it is because we have actually been able to project a positive message as to what is going on. In fact it was quite difficult when we sat down at committee level to try and identify what was causing the problems, what it was that was a difficulty, and an awful lot of it actually comes down to attitude. We have a situation where the Island is actually in a situation of high confidence. There is investment going on throughout the Island, the bulk of it going on in Douglas, whether we like it or not, and we are not in a position as a democracy to force businesses to go here, to go there and to go there, if they wish to come to the Isle of Man.

**Mrs Crowe:** I quite agree.

**Mr Brown:** The reality of the situation is quite straightforward. Business will go where it can succeed and business also wants to be in the right location and whether we like it or not the bigger businesses, which is what really many of the hon. members are talking about, wish to be in the town of Douglas. Now, as a person from Castletown I do not know why, because I think outside Douglas could actually be of greater benefit. (**Mr Gilbey:** Hear, hear.) But in commercial terms they will tell you in no uncertain terms why they wish to be in the capital of the Isle of Man, because that is the place to be if you want to be in that sort of business.

Now, the ones that do succeed and if you look at Castletown, for example, it is smaller businesses in the finance sector who are looking for cheaper accommodation, but as soon as they grow to a certain size, they either want to develop in that area a larger office block, which is often opposed by residents and by local authorities, or they wish to move into Douglas where they now have grown big enough to be in the big commercial world of the Island which is Douglas. So we have to look at the reality of this.

Inside the report we demonstrate the reality of the problem. We have high employment. We have worked at this for a long time. Look at the report, table 6. In the east of the Island at 1997 - and this in September - we had 38 people in long-term unemployment, in the west of the Island we had 6, in the north of the Island we had 14, in the south of the Island we had 6 - total of 64 people, long-term unemployed as at September 1997 - and the situation has improved. So whilst there may be things we are not happy with, we have a situation where fortunately we have high employment and it is very difficult in those times to encourage businesses to actually move to where you want them to go because they can afford to go where they want to go and they will go where they want to go.

The one thing that came out in our considerations was that in fact the areas that were struggling the most were some of the retail sectors outside of Douglas, for example Port St Mary. But why is Port St Mary suffering? Port St Mary is suffering because unfortunately for a considerable period of time the past commissioners objected to anything going in Port St Mary. That included houses, schools, offices, everything. For years they opposed everything at planning. A brand-new school, a hundred per cent paid by government and they opposed it and opposed it and opposed it and it was only opened two years ago.

Now, if a local authority and to some degree if hon. members of this Court give out the wrong message, because people do not like negative messages, they want confidence, they want to see there is hope in investing in an area, if they get the message from the local authorities and other people in the society that in fact things are not right, things are bad, then the simple view is 'Why go there? Why should I gamble my investment in an area that the member for that area is telling me is going downhill, that the local authority are

telling me is going downhill', because they will say, 'I will go somewhere that I know is on the way up'. So whilst there has to be criticism, we are not saying that, there also has to be a positive message.

I think one of the problems that Ramsey has is that it actually has now, unfortunately, too many shop units in Ramsey for the size of population and for the amount of people who go in to Ramsey to shop, and I do not know the answer to that, because it does not matter how much investment you put in there, shopping trends have changed. People come to Douglas whether they work in it or not because that is where the big shops are. They want to go to M & S, they want to go to Boots and they want to go to Shoprite and they want to go to the Co-op, the big shops. So it does not matter what we do in the regions, because they will still say on a Saturday, 'That is where I go.' I see it in my shop on Saturday - half past three, 4 o'clock we get busy, because they have all returned from Douglas, and that happens throughout the whole Island.

So you have got to be realistic about this. Whether or not we like it, the trend has changed. Modern society is more mobile. People are in a position where they can afford to pay more and they travel. They go to where they want to go. We then have to identify the strengths of those areas and say, 'How can we build on them?' And each area has different strengths. Port St Mary, I hope, when the marina is developed there, will actually start to lift Port St Mary up. (**Mr Cretney:** Hear, hear.) Ramsey - hopefully when that development goes ahead for that boat haven, hopefully that will lift it up.

**Mr Cannan:** And when you get the airport at Jurby, that will lift too.

**Mr Brown:** And the airport in Jurby, from the past member of the Airports Board who did not get it open, can be opened, but the implications financially to this government are substantial. Annual expenditure will be substantial. Can the Isle of Man afford to operate two airports? That is the question. Whether I like it or not and if it has not got a use as an airport, for goodness' sake identify what it has got a use for, so you can actually do something to help that population have some sort of business there.

Whether we liked it or not the difficulty the committee had was identifying how you deal with the issue. We can force government out, because we control that, but how many people that you represent, for example in the south and I represent in the south, if we said, 'Right, we will put the DLGE off to Ramsey and we will leave the DoT in Douglas' and they come in to see a planning issue and they go to the DoT because it is a traffic one and then they are referred to the DLGE and they have got to go to Ramsey. Whether we like it or not we are in this position because over the years, over decades, the Island has developed its centre, its capital and the bus services have been developed that way, the road infrastructure has been developed that way, and main services are in Douglas, and as somebody who does not live in Douglas and does not represent Douglas I want to see more development in my area. But I found it quite warming to hear the Minister for Home Affairs say how he had - what was the word? - heartfelt concerns how towns are developing, and I hope the minister will keep that in mind when he is considering the new southern police headquarters that are being taken out of my town. It does not seem to worry him when I ask him about that problem. That is part of our main infrastructure, but it does not seem to matter. So we can all argue this way.

Clearly what matters is that we all look at how we can develop the whole of the Island. I represent Castletown. I have had far more involvement in my role within government for the whole of the Island than I have just for Castletown, and as far as I am concerned I take the view that wherever there is an opportunity we grasp it, wherever we can generate the

ability to act as a catalyst, then we should do it, and wherever we can provide incentives for private business to flourish, whether it be in Douglas, Ramsey, Peel, Jurby or anywhere else, then let us use our ability to do that, but at the end of the day business will only go where business wants to go and that is the reality. It will not go where it does not want to go.

Whilst the report may be disappointing, and I suppose I can understand that because it does not actually come out with clear recommendations and say 'Let's do that, that, that and that', part of the reason for that is because in fact we have difficulty identifying how we can generate greater interest in these regions over and above what we actually state in the report. That is why under paragraph 8.1 I think it is it actually identifies a number of issues that can be looked at by government to see if there is anything more we can do.

The other thing I would just say finally is that it is not the end of the story. All of us who are working in departments of government every day are making decisions that affect how every region of this Island develops, every one of us. One of the biggest obstacles we have for the out-of-town regions developing at the end of the day is not government, it is attitude. It is attitude towards development. People object to planning. People do not want more houses in certain areas. They do not want offices in certain areas. They do not want factories in certain areas and these arguments go on and on. Ramsey had that recently. Here is Ramsey with a problem, so somebody decided to build or extend their factory and it was opposed, because those in work and those who live there did not want this bigger factory on their doorstep, because they would rather it not be in Ramsey. So we have all these problems to deal with. There is no easy answer, but the only thing we must have is a commitment to try and encourage and to invest in the regions of the Isle of Man and not just in Douglas, and as long as we have that commitment and as long as we encourage development in those areas, then there is nothing much else we can do, and I hope members will not be too disappointed with the report, will support it and will, when they go out of this hon. Court and go back to their departments, look at how they can make a difference in all these regions of the Isle of Man, albeit maybe small and albeit some of them over long-term developments that will actually change and improve the areas, such as I believe the marina in Port St Mary will do for Port St Mary. Look at Port St Mary in 10 years' time and you will see a big difference.

**Mr Gilbey:** Mr President, the hon. mover, the hon. minister, Mr North, said you do not find a magic wand in the report. You do not need a magic wand. I think you want some sensible policies (**Mr Cannan:** Hear, hear.) and you do not need the mass of statistics in the report to see and know that there has been historically and there is a continuing tendency for Douglas to attract everything. Now, this is something that is prevalent throughout the world. You have just the same with London and the south of England. On a larger scale they attract virtually everything in the adjacent isles, to the detriment of other regions, and the governments there have rightly taken steps to reverse this. In France it is said that Paris is France. Do we want it said that Douglas is the Isle of Man?

Now, the hon. mover also said that the movement of government departments would not be cost-effective. I am afraid on financial and economic terms I cannot agree with him. It certainly would be if the place on which the new offices were built was owned by the government because the government then would not be meeting the cost of the land in terms of capital or rental and could relinquish extremely expensive offices in Douglas that at the moment the government is paying over £15 or £16 a square foot for office accommodation. The government does own land outside Douglas on which it could develop. I need not run through all the places, but it owns a lot of it.

The need for diversification is not just on account of retailing, there are other very good reasons: to encourage housing development in parts of the Island other than Douglas and the suburbs or outskirts of Douglas and commuting areas for Douglas; to reduce and reverse the steady increase in commuters flowing in and out of Douglas, and surely this would be in the interests of Douglas itself. Other large towns are realising that commuting in and out can be detrimental to them in excess and it is indeed perhaps fortunate that so many members have this very day, owing to the earlier meeting of the Keys, experienced the full pressures of the key morning hours of commuting into Douglas.

It is not surprising that so many hon. members - the hon. member for Onchan, the hon. members for Ramsey, the hon. members for Michael and for Rushen - have severely criticised the report. I have to agree with all of them. Indeed I would like to reiterate points I made in a letter over a year ago to the committee. I said that I did not believe that the majority of economic growth and development should be centred in Douglas, it should be spread throughout the Island, and it is for that reason that I believe facilities and attractions should not always be placed in Douglas. If everything is in Douglas people will always be going to Douglas and nowhere else. For similar reasons I have consistently urged that government offices should be spread around the Island. In particular I agree with the hon. member for Michael that the Department of Agriculture should be based in St John's where it would be in the middle of the farming community, where it would be near to the marts and where it would no longer be split, (**Mr Cannan:** Hear, hear.) as part of it is there now and part is in Douglas. Why do government vets want to be centred in the middle of a town? Other departments could well be placed in Ramsey, Peel, Port Erin, Port St Mary and Castletown. The Water Authority could easily be placed outside Douglas.

By spreading offices round the Island the parking problems in Douglas would be reduced, and it is ridiculous to say that businesses have to be in Douglas. There are a lot of very successful businesses in the financial sector outside Douglas, particularly in Castletown, also in Ballasalla, and frankly I am sure that many others could just as well operate outside Douglas as in it. Also if private businesses were set up in other towns I would not have financial incentives. I believe the answer is to reduce the areas with planning consent for offices in Douglas but increase them elsewhere, and I am glad to hear the hon. mover agree with increasing the areas available for office development outside Douglas but I did not hear him suggest the converse which I believe would also be necessary, and similarly no more land should be zoned round Douglas for industrial use. It should be zoned in other areas. We have seen throughout the Island that many of our leading industrial firms operate perfectly well away from Douglas. Think of one of the leaders, Strix, which has major operations in the north of the Island in Ramsey and in the south in Port Erin.

Now, if we followed these policies I believe then you would get more housing development away from Douglas because people would want houses near their work. However, unfortunately, as the hon. member for Castletown admits, the report does not come out with any clear recommendations of this sort or any others and that is why so many of us are unhappy. What we want is clear recommendations.

So what should we do now? I believe that we should reject the report by voting against it. We should ask the Chief Minister to set up a new committee of people who will propose positive action, such as some of those who have spoken today: the hon. member for Ramsey, Mr Bell, the hon. member for Michael and the hon. member for Onchan, people who will make positive proposals to do something and not just leave it for things to sort themselves out.

**Sir Miles Walker:** Mr President, I too was disappointed with the contents of this report and it seems to me that what was missing was the political dimension and I think against a background of 11/2 per cent unemployed, 800 job vacancies, 500 people only looking for them, a growth in government receipts, a lot of confidence out there in the Island, in the business sector, and I know that is not right across the board but in general terms it is right, that it is very easy to say, 'Well, there is not much wrong with the present situation', and I think that that is the trap into which the committee have fallen and they have had all the statistics and they have looked at them and they have listed them for us and we cannot argue them at all, we recognise them. But it is that political feel that has gone and I have to say I do not think it would be very difficult to pick up again, and I go along with Mr Gilbey: I do think that this matter needs more initiative. I do not mind if it is the same people or not, but it certainly needs to go back to the drawing board and we want to get something positive out of it and in very simple terms make more room for development in Ramsey. The people up there, the members up there, say they want this town to flourish and they are willing to accept development. Now, for goodness' sake, it seems to me it is one of the very few places in the Isle of Man that is at the moment calling out for development. We know, I know, I am sure we all know, there is a growing shortage of housing stock. House prices at the moment are soaring. I heard a figure mentioned the other day of 10 per cent in the last three months, supply and demand. We have got to increase the supply, hon. members. We were in this problem 10 years ago or 12 years ago: we should have learnt. Ramsey wants development, it wants people. For goodness' sake, can't we encourage the planners and all those who are concerned with making certain that development goes in that direction go there? It would not have been very difficult for this report to have said that, but it does not say that and I think it is a shame it does not say that.

Some relocation of government offices. I do not think anybody is calling for a wholesale relocation, because I for one do not think that it will work. I also am sceptical as regards the suggestion of even moving Agriculture to St John's. It can go there and it may assist the farming community, and there is a benefit, but I do not see how it will revitalise the economy of St John's, because I do not think that that is the case. It may assist some parking in Douglas, but not for long, only as long as it takes to fill up the vacated space in Douglas with more workers who will bring their own cars into town. So I do not see that as a solution, but I think we should be open-minded enough to look at it. This report says something along the lines of 'It needs to be looked at', but it does not say who is going to look at and I think that is where the report falls down and if it had said, 'And this issue will be pursued by the personnel department' or somebody, then I think that would have assisted members in their acceptance of this report.

It also says that a marina in Port St Mary is a good idea. Of course it is a good idea. We all know it is a good idea and it goes on to say, 'And after Ramsey and after Douglas it may happen.' It would have assisted me if it had said, 'And this matter will be put fairly and squarely into the responsibility of the Department of Tourism or the Department of Transport' or somebody. It does not say that, it leaves it. (*Interjection*) Well, why isn't it all brought together within this report because that is what we are looking at? And I think the firm recommendations like that would have made this report much more acceptable.

The only other thing that I get a feel that members want are some small or smaller work shop units, factory units in Peel. That town - city, sorry - has been crying out for that sort of facility for 10 to 15 years.

**Mrs Hannan:** We are getting some.

**Sir Miles Walker:** And you are getting some. Super, maybe then we can go down to just three issues.

**Mrs Hannan:** Private enterprise.

**Sir Miles Walker:** Wonderful, far the best way, because they will make it work, whereas perhaps government might not. I am delighted to hear that. So perhaps the issues are very, very small indeed. Look north at the moment. We know there is a need for development, and I agree with the hon. member Mr Brown when he was standing up a few moments ago - you cannot force people to go, but you can assist them to go, and I do not think there is much future in relocation. What we need to be doing is looking for the new businesses that are coming along and asking them to go into the different parts of the Island.

After saying all that I think in my own mind that the answer to the problems is in the planning and the planning process. It is not a criticism of the people who sit there and make the decisions on individual applications, but I think somehow we have got ourselves too bound up in the planning process. In 1982 I moved the development plan into Tynwald and I underlined the need for a flexibility of approach and ever since then that flexibility has been whittled away until we end up with something terribly rigid and if it is not in the plan it cannot be accommodated, and I think that that is dangerous. I also think that the local plans are getting too local and when you go along to the people in the villages and say, 'Now, wouldn't it be a good idea to have more development?' They say, 'Not on your life: we're very content.' A very difficult situation. We have got Foxdale: it could take hundreds of houses, they would not be seen. But the member for the area agrees or goes along with the views of his constituents that they do not want it.

**Mr Gilbey:** They do not want it.

**Sir Miles Walker:** But it is wonderful: 10 minutes from Douglas, five minutes from the airport, as long as we do not have a 50-mile-an-hour speed limit. It is a super place to live and bags of room for development without destroying good agricultural land and all the rest of it -

**Mr Corkill:** Cheap petrol.

**Mrs Hannan:** And cheap petrol, yes.

**Sir Miles Walker:** - cheap petrol - and yet it is not going to happen because the people who are there at the moment enjoy their quality of life -

**Mrs Hannan:** Why shouldn't they?

**Sir Miles Walker:** - and do not want to be joined, and the hon. member says 'Why shouldn't they?'

**Mrs Hannan:** Well, why shouldn't they?

**Sir Miles Walker:** Absolutely, but this is the Island problem.

**Mrs Hannan:** The freedom of the people.

**Sir Miles Walker:** I think this is the Island problem and that is why I think we as politicians have got to allow the development where the people want it and at the moment it is in Ramsey. It was not a few years ago. They said they had had enough. I believe, whatever the hon. member for Peel says, there is a willingness from the people in the north to accommodate more development, and I think we should assist in that accommodation. I have no doubt about that.

But back to the planning if I may, I know there is an insurance company which is in the south of the Isle of Man which would like to relocate into modern purpose-built premises, but where on earth can it go? It needs a good space, it needs car parking and all that sort of stuff, and if you look at the development plans in the south of the Island you will not find a space that can accommodate it, and when they come looking for advice, almost ready to give the best advice I can say is 'Go to the development on the outskirts of Douglas, because there you can get in.' I do not want to say that and they do not want to leave the south, but where do they go? And that is the challenge, because as soon as there is space allocated away from scenic value or whatever it is for office or industrial use, everybody round about will say, 'Ah, we don't want that there here', and I think it is a dilemma, a very real dilemma, we have to come to terms with.

I was involved with Port Erin Traders when they made their submission to this committee and they and I recognised there has been a fundamental change to the way people shop and that people want to go supermarket shopping. Whether we like it or not does not matter. That is what they want to do. They want to park the car as close as they can to the shop door, do their monthly shop or fortnightly, whatever it is, and take it home, but there is a need for a community to keep those smaller shops as well, and I believe they can compete and I believe that there is a requirement for them. One way in which they can get some of that extra trade is by putting business development in these areas and I am sure that a relocation, the place I have been talking about in the south into one of our town centres, into Port St Mary, would assist the local shops.

Now, if we look at the outline plan for Port St Mary the only recommendation for office accommodation, I think, is in the upstairs floors of the houses that are existing there, and I think we need to have more imagination than that. But the Port Erin Traders recommended to the committee that somebody should think about the appointment of a shopping centre manager, an individual. We know about Douglas 2000, we know what is happening down here. Port Erin is not big enough to do that on its own, neither is Port St Mary, neither is Peel, neither is Castletown. But there is an expertise that is required to encourage the different shopkeepers to get together to make investments into the infrastructure of the town and all those things which I believe a shopping centre manager could do, and he could be shared between a number of these smaller communities, and I was disappointed when that was not even mentioned in this report.

So I think that this report needs to go back. I do not mind if it goes back to the same committee and they need to come forward with definite recommendations. What about the marina? Who is going to do Ramsey? What are the issues in Ramsey that are stopping development? Let us get abreast of them and so on.

**Mr Cannan:** And do not forget Jurby.

**Sir Miles Walker:** Well, do not forget Jurby. I would not forget Jurby. I was one of the ones that was intent on making a new village and town at Jurby and I believe it would have helped, except it was stymied by some of the hon. member's colleagues from the north of the Island at that time, which I think was a great shame, but I would like to encourage the development of Jurby because I do believe that we should and have to be talking about a new town somewhere. We have a population that is growing by about 800 people or a thousand people a year, and that will continue as long as the economic climate continues in the Island. Those people need to be accommodated. There is a resistance to expansion of our existing communities. We have got a place like Ramsey, we have got somewhere like Jurby. Surely it is not above the wit of man to make those places attractive enough for

people to go and live there. I believe they should be, I believe they could be, but it takes political 'it' and that seems to me to be what is missing from this report.

**Mr Rodan:** Mr President, this I found an extremely interesting debate with some very interesting contributions like the last one. For a member who entered the debate from a position of neutrality, shall we say, like myself, it has been particularly interesting just to see the way the arguments have developed.

Now, the reason I so entered the debate from a position of neutrality was from the reading of the report itself, because as was said right at the outset, it is undoubtedly a most interesting digest of factual information and statistical fact, factual information, and as a document that can be well employed by government departments it has much to recommend it. But I was surprised, on having read the document, that when one reads the report it leads to the conclusion which is the premise in fact that there is no case to answer for stimulating regional development. That is the conclusion of this document, and that I found surprising, because I think like most members I genuinely believe there was a real case to answer, which is why I came into this debate neutral, to see if I could get enlightenment from round this hon. Court.

Now, members have reacted to the report, I think, in two different ways. To some the report is disappointing. We have been told it is not worth the paper it is written on because the analysis of the facts presented in the report does not apparently support the view that there is an economic imbalance in the Island to be addressed. It does not apparently support the view that there is too much economic commercial activity in and around Douglas at the expense of elsewhere and since the facts do not support that there is a problem it is no surprise that there is massive disappointment in this Court at the absence of any recommendations or actual radical measures to address the problem.

The other way the report has been reacted to is that there is a belief that the facts are probably wrong. All this stuff from the economic adviser's office is wrong. I do not wish to sound biased, but I thought the planning information, which was gone into at quite some length, was very interesting, but that must be wrong, the four ministers, some of whom are from economic-generating departments of government, have got it wrong, with the access, all the access to the facts and the staff at their disposal. This is all wrong and therefore the response is let us start again with a new committee, according to Mr Gilbey, or not necessarily a new committee but the same committee, according to Sir Miles Walker, would do fine but let us have better consultation with industry, that has been mentioned, but at least let us come up with a less negative report, let us come up hopefully with a report that we want to believe and will give us the information that will sustain us in the beliefs that we already hold. That is what that line of argument is asking for.

Now, as far as the planning side is concerned, and Sir Miles referred to this at some length, what is in the report is, I would have thought, a fairly clear explanation of the place in the planning system of the Island's strategic plan, which members will have very recently received, which is a document that has been kicking around government for a number of years and it is the strategic plan which is the working document of government into which departments have their input and which informs the local plan process, the local plan process which takes place over a period of years which slowly but surely zones the areas throughout the Island for industrial use, for retail use, or for housing use, through a process of public consultation which is designed to attempt to resolve the very differences that Sir Miles referred to when he talked about the Port St Mary local plan and gave us an example that in there there is a proposal, and of course at this stage he will understand it is only a

draft proposal, but it is a proposal open for public debate that office accommodation be confined to upstairs floors of retail units. That is a starting point and that is an example of the sort of starting point that produces ultimately, after public inquiry, the appropriate zoning in local plans outside Douglas, in the south in Port St Mary and in Ramsey.

What is brought about through that process is identifying the areas, the land, which will provide the very opportunities for development that we want to see in a systematic, rational manner - that is the intention and it should be the outcome if the process has been conducted properly - not in a make-it-up-as-you-go manner but in a proper sustainable manner, the opportunities for development to which we direct employers, companies coming into the Island and all those with an interest in providing development, those interested in providing development in what is a free-market, non-Soviet, non-state - directed, non-centrally planned, non-Socialist economy. All we can do is to set up the framework where enterprise can develop through the planning process and make it possible for it to take place. Now, if we want a centrally planned economic system I have no doubt we could have one, but that is not the free-market system that we operate under but what is happening and what the report does bring out very clearly is the mechanism by which it will be allowed to happen.

So I do not believe that the facts as laid out in this report necessarily are wrong. They may well be inconvenient, but does that make the report invalid?

There has been a lack, I think Sir Miles said, of a political overlay in this, a lack of waving of magic wands to satisfy what is undoubtedly the political wish for something to be done, for something to happen. Politicians want something to happen, but I for one would like to rely on facts before I form a conclusion as to what exactly it is that should happen.

Now, I think if this report had been compiled five or 10 years ago we might well have had a different report. I think it would have borne out on a factual basis the economic imbalances in the Island and would support the beliefs that many of us have accumulated over the years but which apparently are not borne out by the facts in this report because the fact is the Island is in a state of economic overdrive at the moment. Record numbers of people are in employment. Is it really the bleak picture of economic imbalance that many have argued this afternoon? Is that borne out by the facts? Now, I instinctively believe that if there is economic imbalance, then it should be corrected, and I do not think anyone in this Court would dispute that but I would like my conclusion to be based on the facts, which is why I have not formed a conclusion as yet and will continue to listen to the debate with great interest.

**Mr Cretney:** Hear, hear.

**Mrs Cannell:** Mr President, I have found the debate so far very interesting, in particular the comments that have been made by those representing the country areas. Whilst I recognise many of the things that have been mentioned from those members and share their concern in a number of areas with regard to what they have said, I think we have to be fair when we look at this report. First of all I think we have to consider that the original motion which was submitted by the hon. member for Ramsey, Mr Singer, in February 1997 was perfectly good and, had that been upheld at the time, would have brought about perhaps different resolutions within this report. It was unfortunate at that time that it was amended, and the motion was successful, that the Council of Ministers review, and I always feel very disappointed when things get referred to the Council of Ministers, given that the majority of the Council of Ministers have been ministers for a long, long time and therefore they will view things in a particular way. I always believe that it is refreshing to

bring in new people, people who are not of a political persuasion perhaps, into situations like this and they will give the necessary stimulation, the new ideas. You need new young people to bring forward new young ideas.

**Mr Brown:** Younger than you! (*Laughter*)

**Mrs Cannell:** I am not referring or making any reference to the age or gender in fact of the Council of Ministers review group in this situation, but it stands to reason that if you want new ideas, innovations, things to move on, then you pass it over to the next generation to pursue those. I believe that the members on this committee are very good at holding the situation but perhaps in moving it forwards are somewhat limited now, which was not perhaps the case when they were first newly elected.

But I think in fairness they have actually completed what was contained within that particular motion. They have completed the remit because the remit was very limited, and the member for Rushen, Mrs Crowe, touched on it before when she says the Council of Ministers review the measures used. Well, they have looked and they have reviewed the measures that they use and they are defending them, which we really should expect. If you are going to set up a sub-committee of the Council of Ministers, then they are going to defend the present situation, that stands to reason, and I find it somewhat surprising really that members have not picked up on that. They have defended their position. They were asked whether those measures were sufficient, have sufficiently taken into account the need to stimulate development on an Island-wide basis. Well, of course they have come back and said, 'Well, the status quo is a good situation', and in some respects the status quo in certain quarters, particularly on the department that I am on, the Department of Trade and Industry, is quite good, it is quite acceptable, but it is not perfect. There is always room for improvement there. But they are quite good in stimulating economic development and trying to encourage other sectors out into other areas such as Ramsey and elsewhere.

That aside, looking further down on that first page of the report, 1.2 and the last paragraph, it was touched upon before by the chairman for planning when we were talking it had been recognised that the diffusing of the economic activity throughout the Island should be linked in with the planning process and it should form part of the strategic planning process, there should be a strategic economic plan, and now is the time to do it, when we have got high employment, when we are economically buoyant. Now is the time to put into place a policy for creating and encouraging activity outside of the capital of Douglas and also in addition to that a series, a package of measures should complement that as and when, following the completion of the regeneration of Douglas, when we have done that and we are moving down the road and we are starting on other areas or hopefully we are halfway, or part way, through other areas, if small pockets are identified within the different regions, then we should have a packet of measures to deal with that. So not only should we be proactive, we should have a mechanism to be reactive when and if problems arise such as low unemployment in a particular area, dereliction, shops closing down, and we cannot simply come up with the reason as to why it is happening all of a sudden. We should have already recognised that that is a possibility, and it is certainly becoming quite prevalent in places like Ramsey and other small areas, which I find disappointing.

But I do not think we should criticise the committee too much because I do not think we should have expected an awful lot in the first place. But if we go on to page 4 -

**Mr Brown:** Look at the membership: your leader is there.

**Mr North:** Hear, hear.

**Mrs Cannell:** I am trying to be very open and honest here, Mr President.

**Mr Brown:** We understand that statement.

**Mrs Cannell:** I am not stroking any minister's back.

**Mr Corkill:** Keep the unholy alliance together.

**Mrs Cannell:** But with regard to the public consultation exercise, now, it is not clear, and perhaps the minister can clear this up when he responds, as to whether the advertisement was open to members of the public, because it would appear by the list of those who did submit a view, that appear in annex A, there is a list obviously of members, local authorities, the Chamber of Commerce, traders' associations, government departments.

**Mr North:** It was open to everybody.

**Mrs Cannell:** There are other submissions. Am I given to understand then, apart from the estate agents and so on, that these other submissions were from members of the public? Because on page 4 it does indicate an advert in the press and to issue specific invites to towns. Perhaps it was not wide enough, perhaps it was not widely advertised enough or promoted, and it does seem disappointing really that I learn today that the letters, particularly the one submitted by the hon. member for Glenfaba, he wrote a year ago and so it seems that even the information contained within this report is somewhat dated, because things move very quickly in the economy. There are rises and falls all of the time, but it moves very, very quickly in terms of areas perhaps that are becoming neglected for one reason or another. So we need to be looking at putting together a proactive strategic economic policy that goes along with strategic planning and a packet of measures to be able to react quickly as and when problems arise.

For the best part I am quite happy to actually accept the report because I did not really expect anything other than what we have before us. So it does not surprise me that perhaps it does not contain measures for 'How do we go about this?' and 'How do we do that?' because that was not within the remit, and I would agree that perhaps now is the time to put together a different type of committee to look at those new areas on how we can stimulate more economic development in other parts of the Island.

But I have to support the concept throughout the report that Douglas has received a lot of investment, new investment is still expected and we still have a lot of work to do before we finish the job here, and it is all very well making starts, and we can make preliminary starts, in other areas such as Ramsey but I would not support cutting the umbilical cord with Douglas in order to relocate all interest and all finance to another area and thereby leave this one unfinished, because I think government perhaps has done that type of thing in the past. They perhaps have not finished a job before starting on the next and moving on. So it is important that we complete the exercise here.

Other areas within the Island can recognise the problems that have occurred here and when it comes to their regeneration and economic viability undertaken there, they can put into place a measure which takes into account the problems which we have undergone here in terms of traffic, lack of parking, all the mistakes we have made whilst our economic regeneration has been going on. You do not have to make those same mistakes. You should learn by the exercise undertaken here, because there are many, many faults in this exercise in Douglas. Because of the stability within the economy, because of the fact that

most of the larger businesses want to locate here because this is where they believe the services are, this is the highest population on the Island, all of those things have brought many, many problems for those people who have lived here, many of them all of their lives. The town is choked up with congestion, with traffic, with traffic-lights, we are getting loads of traffic-lights everywhere, disc parking, we have regulation all over the place. All of these things which were not necessary a few years ago but they are now, and these are the symptoms of economic success within this town, and so I would err on the side of caution of please take note of the problems here so that you can prevent them happening in the other regions when it comes to considering those.

Regarding the relocation from Douglas of some of the government offices, I think perhaps what has been missed out here is that moving a government department does not necessarily move the contact with the member of the public in that I think the emphasis at the last debate on this issue was in terms of if you can move the administrative side of a government department elsewhere other than a capital or a city or a town - and I do not just mean Douglas now because Ramsey, when it takes off, will start to have problems and be crying out for someone else to take all the success - there is nothing wrong with having some kind of bureau of information where, if a member of the public is seeking information on agriculture, fisheries or anything to do with the Department of Trade and Industry, they should be free to be able to go in perhaps any bureau of information around the Island's regions to be able to find out, 'Well, if I want to do this where should I go or how can I do that?' and the information should be readily available. It is the administrative, it is the machine, behind the public counter that could be relocated elsewhere and perhaps that could be looked at.

I wish retail was dynamic and I believe that retail on the Isle of Man can, should and will be dynamic in the future because government has taken on the role of recognising this industry by setting up a member responsible for retail, and I can speak on that as the member responsible for retail and it is only a year ago that the Treasury saw fit to actually provide me with a budget and I now have a very, very small but welcome budget and so now perhaps we can start to do something.

What this report does not mention, which it could have mentioned, bearing in mind that the chairman is the minister of the department in which I serve, is that other than the Department of Local Government and the Environment conducting a health check, we at the Department of Trade and Industry are considering conducting a health check of the Isle of Man's retail industry and that is all of the retail sector, not just Douglas, not just Ramsey, or Castletown, or Port Erin, or Port St Mary, but the whole lot and I think that will be welcomed, in fact I know it is welcomed by the Isle of Man Chamber of Commerce. It is long overdue. I do not agree with the perception by some members in this hon. Court that it is too late for retail. It is never too late for anything. If there is a will, there is a way.

There is another generation coming up where you have housing, you have schools, you have people in jobs, you need things like shops to service them and facilitate them, you need leisure facilities to keep them there, to generate more wealth in the area and perhaps that has been overlooked. We have heard the issue of housing, of schools, but we have not heard leisure facilities. If we had improved Island-wide leisure facilities, they in themselves would act as a draw to that particular area, but then of course we would have to complement by providing sufficient retail, sufficient restaurants, cafes, public houses, you name it, to keep the customer there, whether it be a local or a visitor. But there are ways of doing these things. If there is a will, there is a way.

The one thing I would not agree with is that there is an over-provision of retail shops, retail sector in Ramsey, and the reason why I cannot agree with that is because until our department has conducted a proper health check of the Island's retail industry, the whole of the Island's retail industry, I cannot support the perception that it is over-provided. We do not know whether or not it is over-provided and we will not know unless we can put into place the necessary database which the Department of Industry is presently undertaking and then perhaps then, when we have got the figures and we have got the proof, we may find it is over-provided, but I think we will find that it is possibly under-provided, given the size of the population.

Whilst not being entirely satisfied but not surprised by the contents of this report, given the make-up of the committee putting it together, and in view of the concern expressed by members representing other areas outside of Douglas, I believe it would be a shame to completely set aside this report, cast it away and start from scratch because I believe you need a base from which to build. You need to put in bricks, you need to put in a firm foundation, and I would consider the statistical information contained within this report provides that foundation and we should be building on that. So therefore I beg to move an amendment to the resolution contained on the agenda in the hope of satisfying both sides here, so that we can move on from this report and start building bridges, and it is to change the resolve so that the Minister for Trade and Industry will move 'That the Council of Ministers Final Report and Island-Wide Economic Development be received', and that way, hon. members, we are not tied to this report, we have merely received it, we have taken note of it, and we can move on and start building bridges and look to the future instead of complaining about what has taken place in the past. Thank you, sir. I beg to move:

*Omit the words after 'received'.*

**Mr Duggan:** I beg to second, Mr President.

**Mr Braidwood:** Mr President, speaking as a townie whose area has received the greatest amount of economic development in the last 12 years, now at the present if we look in the report it gives the amount of office development in Douglas standing in February 1998: three-quarters of a million square footage of office space, a quarter of a million under construction, 80,000 with planning approval and 349,000 subject to application or pending, and 70,000 completed. Now, looking at the report, it says that when the comments and perception of those who submitted views are analysed there are a number of themes which emerge and which can be summarised as follows. There is economic imbalance across the Island, government needs to be proactive to ensure that economic development is spread throughout the Island. Then we look at conclusion 12.13: 'It is the Committee's view that there is little evidence of a regional economic problem. Disparities between regions are small and have become smaller during the time the Committee has been sitting, particularly as regards numbers of long-term unemployed.'

Now, the hon. member for Ramsey, Mr Bell, stated in his submission that Ramsey now at their Ramsey Grammar School has 200 places because everybody has been moving to Douglas because the development has been in Douglas. We can look at the census report on page 9 and it shows how the population levels have changed throughout the Island between 1981 and 1996, the east experiencing the fastest population growth, the south the lowest. Over the last five years both the south and the north have seen their populations fall. All of the net population increase has been accommodated in the east. So everybody has been moving to the east, to the detriment of Ramsey and the south and

Peel. My own view after listening to the debate, which has been very interesting indeed, is that I want to see further development in Ramsey.

We are looking at Douglas. It says in the report, 'The committee does not accept that further investment in Douglas is unnecessary.' The investment in Douglas is in urban regeneration to get the people back living in Douglas town. As far as I am concerned the office development in Douglas now is sufficient. Let us look at the other regions. We have heard about the yacht marina in Port St Mary. Hopefully it will come to fruition, after Douglas and the Ramsey marina. It will help the retail industry in Port St Mary and the south because I admit that yachtsmen want a 24-hour access. There are limitations to the Douglas and the Ramsey. Ramsey will have two-hour access over high tide, but Ramsey is a proper marina with housing development and we hope to get more people back into Ramsey.

We have heard the member for Michael saying about Jurby. Hopefully when the regeneration of Ramsey is started we have to look at Calor Gas. Hopefully Calor Gas will go out to Jurby. There is a large area there which is ideal for development for Ramsey, to get the people back.

We have heard about the relocation of some government offices. I totally agree with that. Mr Brown has said that in some instances such as the Department of Transport, the Department of Local Government and the Environment they might have to be situated in the main centre. My view is that we have to put other people out to the regions.

It has been said by other people that on the planning incentives should be given for offices to develop, and new people coming in to develop in Ramsey, to develop in Castletown, Ballasalla, which has quite a thriving business agency.

As far as I am concerned, looking at the final report, I think I must go along with the amendment which Mrs Cannell has moved and omit the words after 'received' so that 'and the conclusions therein endorsed' are omitted because the report does give a base to work on. Unfortunately it does not help Ramsey as far as I am concerned and it does not help the other parts of the Island. Thank you, sir.

**Mrs Hannan:** Eaghtyrane, I consider that this debate has been rather disappointing, well more than disappointing. I think members seem to have looked for something other than we asked the committee to look at. The committee resolved in February of last year that the Council of Ministers review the measures used to encourage and cultivate positive economic development and report on whether those measures sufficiently take into account the need to stimulate development on an Island-wide basis. That is what the committee was asked to look at, and I consider that this report before us today has looked at that in various ways and, unlike the previous three speakers, I actually think the conclusions that they came to form an important part of this report and should remain with the report and should be a base to start from. The member for Douglas East suggested that you need bricks or whatever to build on. The conclusions in paragraph 12 are those very foundations to lay those bricks on. They pull everything together in a factual report and the conclusions are the conclusions reached by this committee. If you are going to take out the conclusions, it means nothing. It lies on the table and it does not exist. So members can vote against it because they do not like what it contains, but if they vote for the amendment it does not exist anyway. So we just forget about it.

What this report says in 12.4 is the general rate of growth in the Island's economy over the last decade must be regarded as satisfactory. That is what they say. We might say

we do not like planning regulations, we might say we do not like land being locked so we cannot develop it the way that we think it should be developed, or the members for Douglas saying they do not like the development: it has been intrusive, traffic, parking problems and all the rest of it. I would put it to the members from Douglas that other areas have had to put up with changes during the last 10, 20 years. They have also had to react to change, and in some areas people do not like the changes that are being imposed on them by our financial success. All right, because we come in for 9 o'clock in the morning there is a bit of traffic about. We do not have a traffic problem. You go to somewhere like Manchester, like Birmingham: they have a traffic problem. We do not have a traffic problem. I am sorry. I left home this morning at quarter past eight. I was in here before quarter to nine. That is not a traffic problem. In twenty minutes I can get from door to door. I had to wait at the Quarter Bridge for a few minutes.

**Mr North:** That is even at 50 miles an hour.

**Mrs Hannan:** That is with the limits. But we do not have a traffic problem. I am sorry. We might have a little bit of inconvenience, but we do not have a traffic problem.

**Mr Karran:** We have a drug problem.

**Mrs Hannan:** No, we do not have a drug problem except for alcohol because while the UK are pushing drugs, we are pushing alcohol education. So we do not have a drug problem per se.

This committee also goes on with its conclusions, 'One encouraging aspect of the Committee's enquiries has been the positive response from the Island's local authorities.' That is in 12.12. In 12.13: 'It is the Committee's view that there is little evidence of a regional economic problem. Disparities between regions are small and have become smaller during the time the Committee has been sitting'. We can agree or disagree, but this is what the committee found. 'The Committee does not accept that further investment in Douglas is unnecessary.' This is taking an all-Island aspect, as the committee was asked. I disagree with some of the comments that are contained in the report, but all in all I think if you are looking at it from an outsider looking at an area which is what the Council of Ministers was looking at, an overall aspect, talking to the people on the ground, they did not come up with this overall problem that has been talked about today in this Court.

One of the comments was that government departments should move out and my department has been signposted to take the route out of Douglas. Why were the Attorney-General's Chambers, the Board of Consumer Affairs, the Communications Commission, data protection, Markwell House, finance, or the Department of Home Affairs asked also to remove themselves? Because they had less visits than the Department of Agriculture. All right, somebody must have been on the door to say they were all agriculturists that went it through the door, but we have a meat plant, we have a marketing society, we have a milk organisation and we have the Manx National Farmers' Union centred just on the outskirts of Douglas. So they are as near to Douglas, they have not decided to go outside of Douglas.

The other comment was made, this department is a split site. Well, yes, but where do you decide you are going to be? We have a number of places around the Island. We own, my department, which you might have missed, most of the Isle of Man, or at least most of the land owned by government. We are a very small department. To move our department out would make very, very little difference to both Douglas or St John's. I accept that the

area that we occupy at the moment is a key area to government and we are being asked to move. But it is certainly not out of Douglas.

This report then goes on to say in the very last part of appendix B, report on interviews with businesses, the businesses concluded, or at least the committee did, that the difficulties of recruiting staff in the present economic climate was felt to be a serious problem by several companies across the sectors, and why should government be any different?

The members that have spoken in very negative terms about this report have been in government, certainly in parliament, in the House of Keys and in this Court, for a very long time.

The member for Ramsey spoke about land for development, it was land-locked and it must and should be released for development. It is all right if we are living in a dictatorship, but I would prefer not to live in a dictatorship. I would prefer to live in a more socialist society than the capitalist society that we live in at the moment and which seems to be permeating this Court.

We do have planning regulations. People also have rights of ownership and also rights to control something that is next door to them, and I hope we never forget that.

What does concern me is the area of planning which I think the member for Garff spoke about, this wonderful aspect of planning and local plans. I would put it to this hon. Court that local plans are not really democratic, they do not affect people until the actual application is put in to the Planning Committee and it is then that people are concerned. We have still not got over to people that they can comment before and anyway if people do comment before, does the Planning Committee or the Department of Local Government and the Environment take notice of representations at that stage? I would say, no, they do not, they are mind-set and they do not take notice of what people say at local plans. One or two people going along and commenting on a local plan has no effect on that local plan. It takes a whole community to be organised to get any change of a local plan at that particular time and therefore I would say that it is undemocratic and that the department is mind-set.

I turn now to Mr Gilbey. Mr Gilbey said businesses do not have to be in Douglas. I would ask him why Manx Telecom are moving. They are moving, but it is just outside Douglas.

**Mr North:** Yes. It should have been in St John's.

**Mrs Hannan:** Why is the Isle of Man Steam Packet or Sea Containers or whoever they now are, why -

**Mr Gilbey:** It is obvious why a shipping company is by the port, even to you, I would have thought.

**Mrs Hannan:** Obvious, you see, it is obvious. Why is it obvious? There is no reason, no rhyme nor reason now, no rhyme no reason at all.

**Mr Brown:** Castletown harbour.

**Mr Duggan:** Go to St John's for a boat ticket.

**Mrs Hannan:** I am really surprised by the Chief Minister that was, he was Chief Minister for 10 years, to say that the committee has fallen into a trap, that this needs more initiative.

He also suggested that because Ramsey members want development they should have it, virtually at any cost. They are getting development, virtually at any cost. Should it go ahead government is putting a huge amount of money into this water development area.

**Mr Corkill:** Guarantees.

**Mrs Hannan:** Guarantees? They are putting money in, it is money, it is the paper stuff. It is money. I think the members for Ramsey forget that they have had investment, a swimming pool for 20 years, (*Mr Bell interjecting*) the Grove Museum for at least 10 years. They just forget these investments. The Grove Museum - I do not know if you have ever been or not but it is a very well preserved Victorian house which was presented to the nation by the people that lived there, and you want to go and have a look at it some time because it was natural there, not something that has been developed in Peel, where you touch buttons and you have created something new, like you are going to do at Rushen Abbey.

**Mr Karran:** Blow-up monks at Rushen Abbey!

**Mrs Hannan:** Peel people chose whether to have that. Well, they had a little bit of say in it. That company that was going to come to Peel and set up a hotel had no money. They thought the Isle of Man was a pushover to get the money out of them to develop it. Let us grow up and pretend that we are in the real world, and they were Americans in chapter 11 and where were we? We were here, we were gullible, but some people in Peel were not and we stood up and we said, no, we were not prepared to let it go (**Members:** Hear, hear.) Well, there has been investment because you have just said yourself we have had more investment than you.

**Mr Singer:** A lot more than Ramsey.

**Mrs Hannan:** No, I have just told you what you have had. You have had the swimming pool -

**The President:** Address the chair, hon. member, please.

**Mrs Hannan:** you have had the Grove Museum, you have had all of this and it is still not enough. Eaghtrane, for 20 years Ramsey have belly-ached about not having. It is no wonder Ramsey is in the doldrums it is because if you talk it down long enough you will make it go down -

**Mr North:** Absolutely. That is the point.

**Mrs Hannan:** - and that is what they have done. Let us talk the Isle of Man up. We are in a financially satisfactory situation and I think we should be very proud of that. We have not lost too much of our Manxness, let us hang on to some of that, but there are areas that I feel this particular report can look at and be a help to addressing. If we receive this document it will not go out to anyone else, it will be received. The conclusions can not be used as a basis to work from. Let us approve this report, receive it - I cannot find the words now - let us receive the report and endorse the conclusions and let us move on and let us stop talking ourselves down and look towards developing economically, in a small way, each of our areas.

**A Member:** Hear, hear.

**Mr Shimmin:** Mr President, I shall attempt to be brief. I would disagree with the previous speaker on two issues. One was with regard to the disappointing debate we have had. I have found it very enjoyable. I did not want the out-of-town members to feel as if

Douglas was not taking an interest in this and I am glad that some have begun to speak, towards the end of the debate admittedly, and therefore we will attempt to be fairly brief in our comments.

So I have found it very worthwhile. I find, on an issue like this, it was almost necessary that we would have what has at times been a blood-letting exercise in getting strongly held views over many years to be put on the floor and debated as strongly and passionately as they have. So I have found it very worthwhile and useful.

The other disagreement with the previous speaker is by interpretation. I will bow to possibly her greater experience on the effect of accepting the amendment. My belief is that after the debate that has taken place today there have been enough comments expressed from both sides to show that there is merit in this report but it is not the complete article. I believe that were it to be received as the amendment portrays, I do not consider it feasible to imagine that it would be just left. I think there is too much passion within this room, within the Council of Ministers. I can accept that other members will disagree with that interpretation. However, from my standpoint I believe it is incumbent on the Chief Minister and the Council of Ministers and each one of us in this chamber to realise what has been said today and make sure that it is not just left, it does not just disappear.

I will in the first instance be supporting the amendment. If that fails, I will then be supporting the report because I believe there is enough in it which is worthy. However, I believe that it would be a recognition to the committee that they still have work to do and I would prefer that there was a mechanism designed by the Chief Minister to allow that to happen. Thank you, Mr President.

**Mr Lowey:** I will be brief, Mr President. The only trouble, to the hon. member who has just resumed his seat, is the heading of the report: the 'final report'. Now, if it had 'A Report', I think I could go along with the amendment. But it says 'final report'. That is what we are debating, the final report. It is in finality. So there is a problem.

I found myself listening to the debate and it has been interesting to see the debate coming in from various angles, unexpected angles, I may say. But I find myself, strangely as it may seem, really echoing the views of the former Chief Minister, Sir Miles Walker. I was very disappointed with the report. I notice it is world book week and all I can say is for £5 you do not get much for your money and it does nothing for the sales of books.

But it is the conclusions. There are no winners and there are no losers in this report and neither should there be. I think the Court this afternoon is looking for winners and losers, and I think that would be wrong because there is an awful lot of good work being done and we have been in this blood-letting, to use the word, of trying to assess from our point of view whether the good things have not been shared widely enough. I think there is a recognition within government that we do want to share out, outwards. You have only to look recently. We have spent or we are proposing to spend £1<sup>1</sup>/<sub>4</sub> million, not in Douglas for the provision of all-weather tracks but throughout the Island: the north, the south and the west. By the way, we may have a problem with the north, as I am sure the hon. member for Ramsey, when he was speaking, knows the weaknesses of the argument that Ramsey wants development. He knows when we were in industry we wanted to give them industrial development with one of the blue-chip companies of the Isle of Man already established there and we know the problems we had in planning, and it is irritating. It must be irritating for the hon. members for Ramsey. But there is an underlying correctness and rightness, as Sir Miles says, about the planning being too rigid. It is and somehow we have got to unblock that, and I do not have the answers here this afternoon. But I do think we ought to

stop trying to pick winners and losers. That does not do us any good and it does not do the Isle of Man any good.

However, my other point was about trying to say regenerate outward. I was deployed yesterday by the Department of Tourism to go and open the new otter pool, not in Douglas, not on the outskirts of Douglas, but at the Ballaugh Wildlife Park. Now, all I can say to you was that was about £40,000-odd worth of outward investment, in my view, to the regions -

**Mr Cretney:** I must go and have a look!

**Mr Lowey:** - and just as a happy coincidence when I was there, I was told one of the otters is pregnant. (*Laughter*) Nothing to do with me, I can assure you.

**Mr Brown:** A population increase!

**Mr Lowey:** But I do like to think that there is a happy event that should be sold outwardly. But as I was thinking and when I heard Sir Miles say that we could do with, what was it, a retail shopping officer for the out of towns I had an awful suspicion that another of the traffic wardens of the Home Affairs was about to hit the dust. (*Laughter*)

**Mr Brown:** And that might help!

**Mr Houghton:** It might actually!

**Mr Lowey:** But it is serious, the economic development. You have to strike the balance. Do you want economic development for the Isle of Man? You are here representing the Isle of Man and not just specific regions. We want to get it out, I think there is a general willingness now to get it out. Do not get sucked into the problem of picking winners and losers. We are all winners. We want to make more, a bigger cake, and share it better.

The report is disappointing. I do wish it did have a political input in the sense that here is the direction and in five years' time this is where we ought to be, and that is lacking in the report. Even one of the authors said it was lacking in the report. But I am not picking winners and losers. I think the Isle of Man is a winning place and we ought to make sure that it continues to be winning.

**Several Members:** Hear, hear.

**The President:** Now, does any other member wish to speak? Reply, minister.

**Mr Cretney:** He does not want to speak.

**Mr Duggan:** He has got a lot to answer.

**Mr North:** Mr President, when I left home this morning I did consider putting on my flak jacket, fully anticipating -

**Mrs Hannan:** And that was only for the traffic.

**Mr North:** And that was just for the traffic (*Laughter*) - fully anticipating the problems that there would be in this debate. I have to say that I am not, and I am sure no members of my committee are, complacent. We are not. But what I have to say is that I have enjoyed this debate. I know we have been hammered but it has been a good debate. There have been lots of interesting things that we have made a note of and we will be able to go back and have a look at it. I know it says the 'final report' on that, and I will come to that in a minute. But it has been interesting.

As far as the members that have contributed are concerned - and the hon. member for Peel I think it was who touched on it - it was one thing coming through to me, the negative comments. It was almost as though in Ramsey nothing at all has actually happened. It really was dreadful. If I was a constituent or a business in Ramsey I would be absolutely appalled at what my members had said here today, absolutely appalled, because they are talking down Ramsey. Have we not got the Grand Island Hotel which is full at the moment with a film? Have we not got an animation studio in the old town hall that has been totally renovated, that is just really about to do a full animation film? Have we not got AFD that has brought all their family, the whole business over here from Kilbride into Ramsey into the main street? Have we not got Essential Media Services coming from America and England to set up in Ramsey? It really is quite amazing. The whole thing is appalling really for the members of Ramsey that they actually go on about their area. There is planning in for a film studio up there at the moment. Do they want it or don't they? I am sure that the businesses that are going into Ramsey at the moment, that is the future of the Isle of Man. These are high-tech businesses, low numbers of employment, admittedly, they are only 10s to 15s, they are not 200 to 300, and could we take 200 to 300 people in a factory in Ramsey now? Where would the people come from?

So let us just really stop all this negative talk. Let us be positive for a change. Yes, we have not got everything right and nobody is saying we have, and gosh, we have been trying for years and going round in circles on many of them and regarding many of the things that could have been done by members in the past that have criticised this afternoon, what have they actually done themselves?

Now then, government offices. Government offices, yes, there is a case, and I have been looking through the report because at the meeting we certainly identified the possibility - and it is no more than a possibility - of transferring the Department of Agriculture to St John's, which has been one of my own personal views for many years, but the minister will quite rightly say she would not mind, but then you have got to give her the funds to do it if she is going to move there, and that is the point that we were making here, and 9.22 I think it was in 9.22 from memory: 'It is the Committee's recommendation that these offices' - and we have listed a lot of them - 'be the subject of further study to establish whether there is a viable case for any to be relocated out of Douglas.' There are some; we identified them. One was the Department of Agriculture as a possibility and the other was the training centre. That is another possible. It is in very high-valued land and training is one of the things that the government is promoting at the moment and particularly my department and the Department of Education. Then, yes, it can move out and it needs to grow. But, please, also you would think that information technology had not changed in the last 10 or 15 years and that it was not going to change 50 times faster in the next five years with the Internet. (**Mrs Cannell:** Hear, hear.) Nobody mentioned the implications of that, not one. Really you cannot see ahead if you do not consider what is going on now in information technology because it is going to transform this Island. Our whole industry is going to change. Our whole way of life is going to change, not just here: the world. The Internet is equivalent to the industrial revolution, and if you do not believe that, then start reading rapidly, otherwise we are going to be dragging our feet and we are already behind.

Retail is something where I have been accused, I think it was by my friend from Castletown in another place, of being somebody who did not like a free market in retailing. Well, what has happened in retailing on the Isle of Man - and I thank my hon. member for East Douglas, Mrs Cannell, for her very constructive contribution, and I will come back to

the amendment in a minute - but regarding retailing let us just see what has happened. Very briefly, over the last few years tens of thousands of new square feet of retail space has been built in and around Douglas, the capital, and with government help for a lot of it, and you cannot suddenly double the size of a store in Douglas that is only in Douglas and double its turnover, more than double its turnover, and expect that business not to come from other places on the Island. It is a fact and that is what we have been doing for years, not just in the last one or two years. We have been doing it for years and the villages and towns have suffered and they are continuing to suffer and we have not seen anything yet about it and somebody said, 'Oh, it's not too late', and I do not want to be negative, but retailing is a vibrant business and we will look at it in my department because for the first time, only in the last few years, government has recognised it as an industry. It did not do so before. It was just something that happened. Pity we did not 10 or 15 years ago. By gosh, we would hopefully have a different scene now. But we have got to make sure that Port St Mary which died commercially gets some commercial development there, and certainly, as has been mentioned and as we mention in the report, listening to some members talking it is almost as though they had already decided what they were going to say before they had actually read the report, and I do not think some of them had read the report because what they were saying was in the report. They are just unbelievable, some of the comments, unbelievable. You would not think that we had 1.4 per cent unemployment now. That can change and what we are really planning for now and we should be looking at is five to 10 years from now.

Development in and around the regions. I have mentioned about Ramsey. There is a tremendous amount of development aid and grants from government going all over the Island into existing companies. My predecessors, thankfully, put money in to provide for automation in a lot of the factories that have increased their production without increasing the numbers dramatically. We do not want radical recommendations because the Isle of Man is in a growth phase at the moment and we are doing very well. We only had a few weeks ago, and the hon. member for Garff, Mr Rodan, I thank for his contribution because again at budget time he was, I think, the only one, from memory, that actually mentioned economic development. Nobody else did. Everybody else was spending money. I do not think anybody else actually talked about making money.

Economic development. I will not go into a lot of the individual comments because I have made a note of them, and the hon. member Sir Miles Walker for Rushen said it was lacking in political feel, it was missing, because of the marina in Port St Mary and things like that. Four years ago, five years ago when I was Minister for Transport what was in our budget, requested, for £4 million? A marina for Port St Mary. It was taken out. No, we cannot possibly do it. It was taken out because we could not prove it.

As far as I am concerned this report is a base on which to build. Now, I really do not have any major problem with the hon. member for East Douglas's amendment, but I cannot vote for it because it concerns me just a little bit. I understand her point. It concerns me that some of the recommendations in this report need to be carried forward by various departments and I just have to say the last part on the page where we all signed it, that last paragraph, I would urge members just briefly to read that. It is positive. We need to be positive. We need to go forward. Let us just keep our feet on the ground. Ramsey has got a problem at the moment in terms of retail, but there is development going in there and Ramsey, when the waterfront development gets under way, will change economically, and the other areas of the Island, like Port St Mary, also need those people. For instance, I heard on the radio last week the Chairman of Lonan Commissioners complaining because

he could not have ground for first-time buyers. He wanted some first-time buyers in his parish. His commissioners wanted it. Now, we have got to decide do we or don't we want that? Some of our villages and towns need some more people in them, definitely. We need to retain the community. I know because some of my constituency, some of the areas, have become dormitory areas, and I do not like that and it concerns me. You go to local functions and we must at any cost retain those.

Now, with this one, as I say, I did not expect to be on a winner here at all, but I have listened and I am sure the other members of this committee have listened. This is a final report, yes, but there are a lot of recommendations, a lot of work. If this hon. Court and the Chief Minister and the Council of Ministers want us to take this further, fine, but there is already a lot in here that could be and hopefully will be done. Now, it is the base and I can assure hon. members that I put heart and soul into selling and marketing the Isle of Man and have done for many, many years and I will continue to do so. We did this report conscientiously, hoping that it was a base that people would recognise and that their perceptions were not quite right. I have to say that a lot of us went in there with those perceptions. When we looked at it, it was not quite what we thought. We need to go forward. I will continue, as all the other members will. Let us just stop a little of this negative nonsense and let us get on with managing our economy and planning for five to 10 years from now. I beg to move.

**The President:** Hon. members, the resolution is set out at item 27 on the order paper. To that resolution I have an amendment in the name of the hon. member for Douglas East, Mrs Cannell, and that amendment has been circulated on the white paper in your possession. I will put the amendment first of all. Will those in favour of the amendment standing part of the resolution please say aye; against, no. The noes have it.

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

*In the Keys -*

*For: Mr Gilbey, Sir Miles Walker, Mrs Crowe, Messrs Houghton, Duggan, Braidwood, Mrs Cannell, Messrs Shimmin, Singer and Bell - 10*

*Against: Messrs Cannan, Rodan, North, Brown, Crowe, Cretney, Mrs Hannan, Messrs Karran, Corkill, Gelling and the Speaker - 11*

**The Speaker:** Mr President, the amendment fails to carry in the House with 11 votes cast against and 10 for.

*In the Council -*

*For: None*

*Against: The Lord Bishop, Messrs Lowey, Waft, Dr Mann, Messrs Kniveton, Radcliffe and Mrs Christian - 7*

**The President:** In the Council no votes have been cast for the amendment, 7 votes against. The amendment fails to carry.

Now, hon. members, I will put the resolution as printed on the order paper. Will those in favour of that resolution please say aye; against, no. the ayes have it.

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

*In the House -*

*For: Messrs Rodan, North, Brown, Houghton, Crowe, Cretney, Duggan, Braidwood, Mrs Cannell, Mr Shimmin, Mrs Hannan, Messrs Karran, Corkill, Gelling and the Speaker - 15*

*Against: Messrs Gilbey, Cannan, Sir Miles Walker, Mrs Crowe, Messrs Singer and Bell - 6*

**The Speaker:** Mr President, the motion carries in the House with 15 votes cast for and 6 against.

*In the Council -*

*For: The Lord Bishop, Mr Waft, Dr Mann, Messrs Kniveton, Radcliffe and Mrs Christian - 6*

*Against: Mr Lowey - 1*

**The President:** In the Council, hon. members, 6 votes have been cast in favour of the resolution, 1 vote against. I declare the resolution carried.

Now, hon. members, I think it is an appropriate time to adjourn and the adjournment will be until 10.30 tomorrow morning. Thank you.

*The Court adjourned at 7.37 p.m.*