

**REPORT OF PROCEEDINGS OF
HOUSE OF KEYS**

**Douglas, Tuesday, 1st December 1998
at 10.00 a.m.**

Present:

The Speaker (the Hon N Q Cringle) (Rushen); Mr L I Singer and Hon A R Bell (Ramsey); Hon R E Quine OBE (Ayre); Mr J D Q Cannan (Michael); Hon H Hannan (Peel); Mr W A Gilbey (Glenfaba); Mr S C Rodan (Garff); Hon D North (Middle); Mr P Karran, Hon R K Corkill and Mr G T Cannell (Onchan); Messrs J R Houghton and R W Henderson (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, Secretary of the House.

The Chaplain took the prayers.

Edwards Review – Meeting with UK Government – Question by Mr Rodan

The Speaker: Hon. members, we turn now to our order paper. Item 1, I call upon the hon. member for Garff, Mr Rodan.

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

- (1) *In respect of the Isle of Man, who are the Island authorities to which the Secretary of State for the Home Department referred in his statement in the House of Commons that ‘the UK Government and the Island authorities have agreed to meet in January 1999 to begin the task of examining systematically the conclusions of the Edwards’ Report and the plans of action being drawn up by the Island and the UK in response to those conclusions. This programme will include new arrangements, under Lord Williams of Mostyn’s chairmanship, for all the parties to meet jointly on a regular basis to take stock of progress’;*
- (2) *have terms of reference been agreed for these meetings;*
- (3) *if so, did this follow negotiations between the parties who will attend the meetings;
and*
- (4) *do you regard the establishment of these meetings as consistent with*
 - (i) *your understanding of the present constitutional relationship between the Isle of Man and the United Kingdom; and*
 - (ii) *the policy of your government to further the self determination of the Island?*

The Speaker: I call upon the Chief Minister to reply.

Mr Gelling: Mr Speaker, the first part of the question - it is the Council of Ministers which has agreed to be represented at the proposed meeting in January. Although no date has yet been agreed for that meeting, I would anticipate that the Treasury minister and myself would represent the Council of Ministers at that meeting.

The second part of the question - there are no terms of reference as such. We have merely accepted an invitation to meet in London on the basis of the wording of the statement in the House of Commons.

The third part of the question - although there are no formal terms of reference, the form of the statement to the House of Commons was certainly the subject of consultation with all the Crown dependencies.

The fourth - there is no inconsistency between the Crown dependencies meeting at the Home Office to discuss the findings of the Edwards review and our constitutional relationship or our commitment to greater autonomy. It would, I would suggest, be absurd, at the end of the lengthy review process which we have gone through, if we did not sit down and discuss the review's findings with Jersey, Guernsey and the United Kingdom, all who have recommendations to consider.

As regards the recommendations relevant to the Isle of Man, we have established a committee to consider the Edwards findings with a view to making a report to Tynwald. Ultimately it will be for Tynwald to determine which recommendations are to be adopted and in what timescale. Now, although our discussions at the Home Office are likely to begin before we are in a position to report to Tynwald, in the end it will be the decisions of Tynwald on implementation that we will relay to the Home Office and to our colleagues in Jersey and Guernsey.

Mr Rodan: Mr Speaker, I thank the Chief Minister for his reply. Will he make clear to the Home Office that, given the questionable constitutional status of the report and authority for making the report, there can be no question of the Home Office taking control or driving the policy agenda in sensitive areas of domestic legislation where the right to legislate remains with this House and policy rests with the parliament of the Isle of Man? Will he agree that it was presumptuous of the Home Secretary to refer to 'Island authorities' as if we were a local authority and did not have a parliament in our own right?

Mr Gelling: Yes, Mr Speaker, first of all can I reassure the hon. questioner and all the members of this House that there is no suggestion that the Home Office will endeavour to press us to do anything which we do not ourselves regard as sensible and there is no suggestion that the Island is surrendering anything in its constitutional relationship or aspirations for greater autonomy by us just meeting.

Now, as we see it, it is on equal terms with the Home Office, Jersey and Guernsey. The meetings will go round the different jurisdictions and the host will chair the meeting so that when we meet in the Isle of Man we will be chairing the meeting here. It is on equal terms: the United Kingdom, Jersey, Guernsey and the Isle of Man. That is the way it is set up at this time.

So I can reassure the hon. member and members that at this time nothing has been agreed, nothing has been suggested. We will be meeting in January to discuss how and if and what else there is to be done. The United Kingdom have got areas within that report that they are going to have to consider.

Mr Edwards had this Utopian ideal to which he has said he would like everyone to aspire. Now, we will be discussing this. If it is the international norm, as I have said before, to do

business on the international stage, it might very well be sensible for us to perhaps do that if we think it is right for the Isle of Man.

The Speaker: Now, hon. members, I appreciate the question is wide and I have five members who have already caught my eye wishing to ask supplementaries. Can I ask you if you would try to be as brief as possible, please. The hon. member for Michael, Mr Cannan.

Mr Cannan: Thank you, Mr Speaker. In the light of the answers already given by the Chief Minister stating that there will be a round of discussions, does his government propose, before he enters into this round of discussions, to obtain the authority of Tynwald on the procedure for implementing the recommendations of the Edwards report?

Mr Gelling: As I said in the answer to the questioner, Mr Speaker, probably the meeting in January will take place prior to anything coming to Tynwald. I have already said that. But I also said that there will be nothing agreed from this Island unless it has been agreed by Tynwald.

Mrs Cannell: Mr Speaker, on a similar note, does the Chief Minister not think that it would have been prudent to have ascertained the views of hon. members before agreeing to go down and have meetings with the Home Office and with Jersey and Guernsey prior to actually going down, to ascertain whether or not it is the view of Tynwald and this hon. House as to whether further discussions indeed should proceed or not?

Mr Gelling: If the hon. questioner is suggesting that the question that should be put to Tynwald is should we or should we not go and have further discussions, I am sorry, Mr Speaker, but the situation is that here we have a review of the dependencies, the Crown dependencies, and we have agreed that we will discuss what is in it and what the conclusions are, but I would suggest to come to Tynwald without first of all seeing what conclusions are actually appertaining to the Island and in fact what we might or might not have to do would not be a good debate. We will come to Tynwald when we have extracted from that review what is appertaining to the Island and what departments of government that are responsible are suggesting that perhaps may be the way forward.

Mr Braidwood: Mr Speaker, would the Chief Minister agree that there has never been a treaty as such between the Isle of Man and the UK Government regulating their constitutional relationship and that this relationship is with the Crown, dating from the Revestment Act 1765, and would he also agree that the UK Government uses the Kilbrandon report of 1972 as a basis for its constitutional relationship with the Island and its ability to legislate, if it so wishes, and that this outdated report does not take into account the public laws of the European Community which prevail over national laws of member states, including their legislation, and, as it has already been mentioned by the hon. member for Garff, would the Chief Minister remind the Secretary of State for the Home Department that there is more than just one parliament involved here?

Mr Gelling: Mr Speaker, with your permission, in answer to the question, I would just like to pose the question that was actually put in the House of Lords on 17th November and it was put by Lord Wallace of Saltaire who said to Her Majesty's Government, 'Whether their plans for constitutional reform include modernisation of the relationship between the Channel Islands and the United Kingdom.' The answer from the minister who is responsible for the affairs of the United Kingdom with the Isle of Man replied, 'My Lords, we have no plan to

change the existing constitutional relationship between the United Kingdom and the Crown dependencies.' The question then was posed, 'Does the Minister agree with the statement in the document' - this is the document from the constitutional relationship - 'that the British islands are an entity in the eyes of the world and that Her Majesty's Government will be held responsible internationally if practices in the islands overstep the limits of acceptability?'. The reply from Lord Williams: 'My Lords, the latest paper that I have on the constitutional relationship between the Channel Islands, the Isle of Man and Her Majesty's Government was published in 1973. It is the report of the Kilbrandon Commission. . . We are responsible under international law for the islands' international relations and for their defence. They have a domestic competence and they have no representation at Westminster.' Then Lord Renton asked Lord Williams, 'My Lords, as a member of the Kilbrandon Commission perhaps I may confirm that the people of the Channel Islands have democratic self-government while enjoying the full protection of the United Kingdom and with the advantage of being represented by the United Kingdom in almost all international affairs', and this is the part: Lord Williams replied, 'My Lords, yes. As the noble Lord indicates, the islands have domestic competence and authority as to their own legislation, subject to the override that Her Majesty's Government have the residual powers in respect of the overall good governance of the islands.' That was stated in the Kilbrandon Report and, I am happy to repeat, remains the true constitutional analysis.'

Mr Singer: Chief Minister, in respect of your original answer to part (4), referring to seeking greater autonomy, could you give your opinion of the terms of reference of the UK Transport and Regional Affairs Select Committee, Transport Sub-Committee, which includes the benefits of encouraging UK ship registration and the specific position of the Isle of Man Registry? Have you, Chief Minister, been consulted by the UK Government matter or is this yet another uninvited intrusion into the affairs of the Isle of Man?

The Speaker: It is loosely connected to the question, I think, Chief Minister.

Mr Gelling: And the answer is simply, no, sir, I am not aware and I have no knowledge of it.

The Speaker: Thank you. The hon. member for Douglas North, Mr Henderson.

Mr Henderson: Thank you, Mr Speaker. Would the hon. Chief Minister not agree that the very fact that we have had to suffer this humiliating experience is a very good example of the UK using good governance and using the Isle of Man as an easy target and a whipping post for the ills of that adjacent isle?

Mr Gelling: I am sorry that members, or some members, are taking this as being a humiliation. I would have thought that members would have been quite proud in fact of our Island that it is so far ahead of the game in respect of even the United Kingdom. (**Several Members:** Hear, hear.) So therefore I do not take it as a humiliation, I take it, as I have said before, if someone stands up in international circles or circuits or anywhere at all to represent anyone, they should know what they are speaking about, and the United Kingdom now certainly know the regulations and the way in which they are enforced in this Island, so that they can speak quite confidently in Europe or anywhere in the world that they know that the Isle of Man's regulations are right.

Mr Karran: Vainstyr Loayreyder, would the Chief Minister not agree that the fact of the matter is that until the adjacent island's government stops insulting the Island by calling it the Island authorities, instead of the Isle of Man Government, then we might start getting some sort of recognition as far as our real constitutional arrangement with the adjacent isle purely through the Crown and not because of gunboat diplomacy in previous years?

Does the Chief Minister also agree with the recommendations in the Edwards report where the Isle of Man incorporated non-resident companies should be abolished and if he does agree, does the Chief Minister now regret not supporting my motion this year calling for locally incorporated non-resident duty companies to be abolished instead of now seeing to be abolishing these companies under duress from the imperialist government of the adjacent isle?

Mr Gelling: Mr Speaker, first of all the hon. member is raising the question which has been raised in the Edwards report, so therefore I am delighted that the hon. member is in agreement with what Mr Edwards is saying, but the situation is quite clear. That is a part of the business of this Island and it brings in revenue to this Island. We are saying that a very, very small percentage let us down. Now, that is the case in anything at all. All those with driving licences - there are a few that drive recklessly, but we do not take the licences off everybody. This is an area we will have to study very, very carefully. It is something that the Treasury have already been in consultation with for quite a long time. It is something we are already addressing. It will be addressed in the same way as everything else in the report when we get down to looking to see what is best for this Island.

The Speaker: For a final supplementary on this question, hon. members, I return to the original questioner, the hon. member for Garff.

Mr Rodan: Thank you, Mr Speaker. The Chief Minister has referred several times to international aspects of this affair. Would he agree that political pressure on the United Kingdom Government in areas like financial regulation which have a strong international aspect is not the same thing as the specific obligations of international law that have in the past justified UK interference in the Island's domestic legislation such as judicial corporal punishment? Can the Chief Minister therefore say what constitutional grounds the UK would have to insist upon particular measures in the Edwards report being implemented, assuming that none of these actually follow on from international legal obligations of the UK on the Island's behalf?

Mr Gelling: Mr Speaker, at a first look at the Edwards report there is nothing appertaining to the Isle of Man in that report that we do not have a competence to deal with. That is the first point. So therefore I would suggest to hon. members that no-one is going to force the Isle of Man to do anything. (**Members:** Hear, hear.) We will do what we think is sensible for our Island in our time and I think it is important that we stress that particular point, that this is something that could very well be that when we look and take out of that report the conclusions of Mr Edwards there will be several that we will be suggesting to hon. members in Tynwald Court that we do not in fact take any heed of, after consideration. There will be other areas where we will suggest that because we want to continue in an international forum of doing business throughout the world it would be sensible for us to do so. That is what we will bring to Tynwald and I can assure the hon. member that asked the original question that no-one is going to force the Island into anything.

Royal Assent Advisory Committee – Question by Mr Braidwood

The Speaker: Item 2, hon. members, and I call upon the hon. member for Douglas East, Mr Braidwood.

Mr Braidwood: Thank you, Mr Speaker. I beg leave to ask the Chief Minister:

With respect to the report of the Constitutional and External Relations Committee of your Council of Ministers which states that 'the Lieutenant-Governor is advised on the granting of Royal Assent by the Attorney-General, the Chief Minister and the Chief Secretary' -

- (1) do these office holders now represent the membership of the Royal Assent Advisory Committee;*
- (2) if not, what is the membership of the Royal Assent Advisory Committee;*
- (3) what are the terms of reference of the committee; and*
- (4) do you consider that it is an appropriate function for an Isle of Man civil servant to be participating in advising the personal representative of the Crown in the Island on whether or not to grant Royal Assent to Bills passed by Tynwald Court?*

The Speaker: Again I call upon the Chief Minister to reply.

Mr Gelling: Yes, Mr Speaker, the Royal Assent Advisory Committee is an informal body which was established by a former Governor, which continues through to the present and provides His Excellency with advice on the discharge of his legal and constitutional functions under the Royal Assent to Legislation (Isle of Man) Order 1981.

Now, the committee has no formal terms of reference as such, but those involved are asked to advise in respect of each Bill passed by the branches whether His Excellency might properly assent to the Bill under his delegated authority or whether the Bill should be reserved for assent Her Majesty.

Now, membership of the committee is as set out in the question and although it continues to be called a committee, it does not now meet together in normal circumstances and the business is actually transacted by the passage of a file between those parties.

Now, each of the three members of the committee signifies his advice on a certificate. The signed certificate is attached to the file dealing with the relevant Bill which is then dispatched to Government House for His Excellency to determine whether or not he should signify the Royal Assent in the case of that particular Bill.

Now, it is of course right that the Governor should receive advice on the discharge of this important function of granting Royal Assent and it is my view that it is much to be preferred that the advice is tendered here on the Island rather than from Whitehall. It is also of course a matter for His Excellency to choose from whom he will seek his advice.

His Excellency, in order to be satisfied that he may properly signify the Royal Assent, needs to be satisfied that the content of the Bill and any amendments made to the Bill during its passage through the branches do not mean that the Bill should be reserved for Her Majesty's signature. He also needs to be assured that all the requisite administrative procedures have been followed and completed.

The Chief Secretary's Office is required to deal with the administrative arrangements and to service the committee. The Chief Secretary is in a position to confirm that the administrative arrangements have been dealt with and he has a general responsibility to provide advice to His Excellency.

Now, the procedures seem to me to be perfectly proper and sensible and the respective involvements of the individuals concerned are entirely appropriate.

Mr Braidwood: Mr Speaker, would the Chief Minister agree with me that greater autonomy for the Island would be achieved if the stick of withholding Royal Assent to negotiate was contested in the courts. The last time prerogative power of the sovereign to refuse assent in the UK was in 1708, although it is held over our heads like the Sword of Damocles, and would the Chief Minister agree that in this day and age it is not appropriate for the Crown to exercise prerogative power and that this power can be affected by legislation, as was the case over 200 years ago in the British colonies -

Mr Cretney: You have done a lot of research.

Mr Braidwood: - when it was proved under English constitutional law that the Crown could not legislate once a colonial legislature had been established and isn't it about time that we moved into this situation when nearly in the 21st century?

Mr Gelling: Mr Speaker, we are a Crown dependency and the Queen is Lord of Mann. The Government of the United Kingdom get Royal Assent to their Bills by the Queen and we get Royal Assent unless it is delegated to, as in this case, His Excellency from the Queen, Lord of Mann.

The situation with Royal Assent is as it is because of our position as we are at this time. Last week in this very House we had the report and we discussed and debated the situation and I thought that members were quite clear that the constitutional position was not what the remit was, the remit was about Royal Assent.

We have suggested that we continue to move down the road of trying to get more autonomy, and I would suggest we have already moved down that road from the answer to the question I answered first of all this morning, and the situation is as it is and until the constitutional position changes, Royal Assent, I would suggest, will have to remain as it is: Royal Assent.

Mr Karran: Vainstyr Loayreyder, does the Chief Minister feel that it was an abuse of the executive power, with it numbers in this hon. House at our last sitting, to go ahead with a report when the mover and the instigator of that report was not able to be here, so that it could be whitewashed through this hon. House because it embarrasses too many people around here who have a lack of backbone?

Mr Gelling: I have to say I am extremely disappointed with the hon. member's question because first of all I was only aware, as every other member, Mr Speaker, of what you told us at the beginning of the sitting and that was that Mr Karran would not be with us that morning. I was therefore not in a position to know when Mr Karran would walk in, and if he is disappointed, I am sorry about that.

Mrs Cannell: Mr Speaker, in relation to part (4) of the original question, would the Chief Minister please advise as to whether or not the civil servant who is referred to in this particular

section of the question is in fact advising the Crown in the Island on the granting of Royal Assent to Bills passed by this legislature or is that person just acting as a servicing person for the requirement of the committee?

Mr Gelling: Yes, Mr Speaker, as I have said, the Chief Secretary's Office actually service the committee and therefore the Chief Secretary, in his position at the moment, is an adviser to His Excellency, so it is appropriate that His Excellency should ask the Chief Secretary for his advice.

Pensions Bill – Question by Mr Rodan

The Speaker: Item 3, hon. members. I call upon the hon. member for Garff, Mr Rodan.

Mr Rodan: Mr Speaker, I beg leave to ask the Minister for the Treasury:

When do you expect to bring the Pensions Bill before this House?

The Speaker: I call upon the Minister for the Treasury, the hon. member for Onchan, Mr Corkill.

Mr Corkill: Thank you, Mr Speaker. The Pensions Bill is entering the final stages of drafting and I anticipate that the Bill will be issued for consultation in January of next year.

Subject to the outcome of that process, it is intended that the final version of the Bill will be brought before the Council of Ministers in the spring of 1999 at which time approval for introduction will be sought. Subject to this approval, the Bill will be brought before this House shortly thereafter.

Mr Rodan: Mr Speaker, is the Treasury minister aware that the Government in Luxembourg has recently presented a Pensions Bill before its parliament, designed to establish Luxembourg as, in their words, 'the natural home of the international pensions scheme' and does he view that as a competitive threat to the Island's proposals for its own international pensions scheme?

Mr Corkill: Mr Speaker, I am aware of the competitive situation regarding the country Luxembourg and also that they have fast-tracked a part of their legislation in this area. We have been trying to fast-track our legislation also and there has been discussion within Treasury over the recent months concerning this issue, but the timetable I have outlined in my original response remains.

Mr Karran: Vainstyr Loayreyder, will the minister assure this hon. House that the Pensions Bill will contain the necessary taxation measures to make the international pensions produce of his proposals competitive in the world market?

Mr Corkill: Certainly the taxation issue regarding this legislation is important and that aspect is being fine-tuned at the moment, Mr Speaker.

Mr Rodan: Would the Treasury minister agree that had his officers not been obliged to spend so much time and effort helping Mr Edwards with his report that the Pensions Bill might in fact be further advanced than it is now and does he agree that it has been unfortunate, the delay caused by the tying up of so much government officers' time with Mr Edwards, when items that would bring potentially great economic benefit to the Island have in fact been delayed?

Mr Corkill: I have only a general comment, Mr Speaker, in as much as a great number of government resources have been directed over a period of time towards the Edwards review issue. I have no further comment.

Procedural

The Speaker: Hon. members, the clock has again escaped us and I call upon the hon. member for Onchan, Mr Cannell.

Mr Cannell: Yes, thank you, Mr Speaker, I beg to move:

That standing order 43(2) be suspended to enable the remaining questions tabled for oral answer at this sitting to be put.

Mr Cretney: I beg to second, Mr Speaker.

The Speaker: Agreed, hon. members?

Members: Agreed.

Revised Government Mortgage Scheme – Question by Mr Karran

The Speaker: I call then upon the hon. member for Onchan, Mr Karran, to ask question 4.

Mr Karran: Vainstyr Loayreyder, I ask the Minister for Local Government and the Environment:

(1) *Does your department plan to introduce a revised government mortgage scheme; and*

(2) *what will be the general terms of the scheme?*

The Speaker: I call upon the Minister for Local Government and the Environment, the hon. member for Ayre, Mr Quine.

Mr Quine: Thank you, Mr Speaker. At a sitting of this House on 30th June 1998 I indicated to hon. members that it was the department's intention to bring to Tynwald a revised government mortgage scheme before the end of the current year. That target has not been achieved but a revised scheme should be brought forward within three months.

At its November meeting the department considered a comprehensive report on the government mortgage scheme, and a draft scheme should be considered at the December meeting. Following this it will be necessary to seek the support of the Treasury and then the Council of Ministers.

As regards the second part of the hon. member's question, I feel it would be premature to provide details of the proposed scheme but it is likely to embrace enhanced income-related assistance towards house purchase.

Mr Karran: Vainstyr Loayreyder, I thank the minister for his answer, but would the minister not agree with me that it is important that we do get something as soon as possible? There is a situation where our young people are becoming increasingly impotent to be able to purchase their first-time homes in the Island because of a lack of some sort of scheme in order to help the ordinary working man get a roof over his head.

Mr Quine: I concur with the hon. questioner's sentiments, sir, and I think that it is important that we get a revised mortgage scheme available to the public at the soonest possible time, if for no other reason than the existing scheme is not meeting current requirements.

Villa Marina Refurbishment – Question by Mr Karran

The Speaker: Item 5, hon. members. Again I call upon the hon. member for Onchan, Mr Karran.

Mr Karran: Vainstyr Loayreyder, I beg to ask the Minister for Local Government and the Environment:

What is the present position of your department on the refurbishment of the Villa Marina?

The Speaker: Again I call upon the Minister for Local Government and the Environment, the hon. member for Ayre.

Mr Quine: Thank you, sir. Since my response to a question on this matter from the hon. member for Onchan, Mr Cannell, on 23rd June 1998 some progress has been made on the management agreement to which Douglas Corporation and the Department of Tourism and Leisure would be signatories. However, at the Villa Marina steering group meeting on 4th November 1998 Douglas Corporation advised that the capping of their financial contribution at £4 million, as determined by the corporation in February 1997, was to remain in force.

The practical effect of this capping by the Douglas Corporation is that the joint approved scheme cannot be progressed within the financial framework agreed by the government and the corporation. Government, in consultation with the corporation and other parties, is now, as a matter of urgency, identifying options to effect the refurbishment of the Villa Marina.

Mr Karran: Vainstyr Loayreyder, I thank the minister for his reply and appreciate in recent days there has been recent movements as far as the Villa Marina is concerned. Would the minister not agree that it is important to assure this hon. House that this Island facility will not be lost for future generations and that we must find some way to protect this building for future generations?

Mr Quine: I have no difficulty with those sentiments, sir. I assure the hon. member that the steering group, which in terms of central government involves the hon. Minister for Tourism and Leisure, Mr Cretney, and myself, are striving to bring about an early solution to the problems to effect this major refurbishment of the Villa Marina, which we recognise as being extremely important.

Mr Cannell: Mr Speaker, will the hon. minister agree that continued prevarication on this matter is posing extreme difficulty for the tourism industry in the Island in that we need a proper entertainments and conference complex and it seems that either the Villa or Summerland will eventually have to be adapted and a decision is urgently required?

Mr Houghton: Hear, hear.

Mr Quine: I do not think it would be appropriate for me at this stage to comment on the assertion that prevarication has been taking place, but I would recognise the importance of a refurbished Villa Marina to the tourist industry.

Mrs Cannell: Mr Speaker, would the hon. minister please give an indication as to how much shortfall there is in this figure of £4 million, as I understand that the £4 million is to be capped by the Douglas Corporation, thereby saving the ratepayers a further burden, but if it is falling short of the requirement by the department in terms of the joint partnership how much is it falling short by?

Mr Quine: I cannot give a specific answer to that for this very simple reason. From the time that agreement is reached between the parties there will be a lead time of roughly 12 months to tender stage. So, consequently, unless we have this fixed date when agreement is in place I cannot tell you whether I am talking about one year's inflation or two years' inflation, but if we take the situation where agreement is achieved very early in the New Year, then in terms of the additional moneys which would probably be required by the corporation over and above the £4 million, we are probably talking of something in the order of about £¹/₂ million pounds. Of course government's contribution would be twice that.

Slaughter of Poultry – Regulation – Question by Mrs Cannell

The Speaker: Item 6, hon. members. I call upon the hon. member for Douglas East, Mrs Cannell.

Mrs Cannell: Thank you, Mr Speaker. I beg leave to ask the Minister for Local Government and the Environment:

Do you intend to introduce delegated legislation to regulate the slaughter of poultry for human consumption?

The Speaker: Again I call upon the Minister for Local Government and the Environment, the hon. member for Ayre, Mr Quine.

Mr Quine: Thank you, Mr Speaker. At this time the slaughter of poultry for human consumption is not specifically legislated for, but there is provision in the department's programme of secondary legislation for regulations to cover this matter.

There is in being the Food Hygiene (General) Regulations 1978 and a guide to those regulations, but they are insufficient to meet the totality of the present-day requirement. The new regulations to which I refer will be introduced as soon as possible.

Mrs Cannell: Mr Speaker, I would just like to thank the hon. minister for his positive reply.

Release of Prisoner – Question by Mr Cannell

The Speaker: Item 7, hon. members. I call upon the hon. member for Onchan, Mr Cannell.

Mr Cannell: Thank you, Mr Speaker. I beg leave to ask the Minister for Home Affairs:

Are you aware that a prisoner was recently released after serving only one full day of a six-week sentence?

The Speaker: I call upon the Minister for Home Affairs, the hon. member for Ramsey, Mr Bell, to reply.

Mr Bell: Thank you, Mr Speaker. I am aware of the case to which the hon. member refers. Technically the prisoner concerned served three days, as in addition to the one full day

he served two past days, namely the day on which he was sentenced and the day on which he was released. Both of these days count as part of any sentence.

Under the provisions of the Custody Act 1995 a person sentenced to serve a six-week sentence only serves one half of that period unless he has additional days added for an offence against prison discipline. In normal circumstances, therefore, this prisoner would have served 21 days in custody.

Hon. members will be aware that since July of last year a system of early executive release has operated at the prison, under which once the inmate population has reached the maximum figure that can be accommodated some prisoners have to be released earlier than would normally be the case to make room for new admissions received from the courts. It varies from week to week as to how many, if any, prisoners need to be released under this system and the nature of the prison population at any point of time determines how soon after reception or how long before their normal release dates that prisoners need to be released early.

The prison can only physically hold so many inmates and, no matter how unpalatable it may be, there is no alternative at present to the policy of executive release.

The decision on which prisoners can be released on executive release is taken by the prison governor after consultation with the police and the probation service. The governor is authorised to release a prisoner up to 28 days before his normal release date, but needs the department's consent if exceptionally it is necessary to release an inmate more than 28 days before he would ordinarily be released.

No prisoner is entitled to executive release and, no matter what the circumstances, a prisoner would not be released early unless deemed to be suitable to be so released. In reaching that decision the nature of the inmate's offence and whether he would be a risk to the community are the main considerations.

On occasions there are no prisoners suitable for early release and in those situations the normal maximum population has to be exceeded for a short period until the situation resolves itself.

In the case in question the nature of the prisoner's offence and his personal circumstances made him suitable for early release. On the day on which he was released the number of male inmates accommodated was already five in excess of the normal maximum capacity and the possibility of more admissions during the course of the day had to be considered. Only two prisoners could be identified on that date as being suitable for executive release and the prisoner to whom the question refers was one of them. The governor therefore had no option but to release this particular individual, notwithstanding the short period that he had served. In fact two more prisoners were admitted later on that day, making the prison as overcrowded at the end of the day as it had been at the start.

In conclusion, I fully support the decision that the governor took in the very difficult circumstances appertaining on that day.

Mr Cannell: Mr Speaker, would the hon. minister agree that this policy is not encouraging to those who pursue prosecution cases so diligently and often at great trouble?

Mr Houghton: Hear, hear.

Mr Bell: Yes, Mr Speaker, I fully concur with the sentiments of the question from the hon. member, but I have to reiterate once more that this situation is very much out of our hands at present. We have a maximum physical limit on the number of people we can put into prison and we have to, and in particular the governor has to, make some very, very difficult decisions from time to time to ensure that that limit is not unnecessarily exceeded.

The problem itself will not go away until we have finally grasped the nettle of building a new prison and provided a new extended facility (**A Member:** Hear, hear.) to accommodate the number of people required for it nowadays.

Mr Cannell: Mr Speaker, a further supplementary if I may. Is it possible that prisoners could be sent to the United Kingdom to serve their sentences, which would thus alleviate the present overcrowding until a new prison is built, for which the timescale might also be ascertained by the minister?

Mr Bell: Yes, Mr Speaker, this is an option which we have considered, but as I am sure most hon. members will know, there is a severe overcrowding situation in the United Kingdom prison regime as well at the moment and therefore it is extremely difficult to get any placements for Manx prisoners in the United Kingdom.

The only condition on which the UK will even consider taking a placement now is if the prisoner has UK family relationships, if they are from the United Kingdom or their families are in the United Kingdom. It is only in an extreme case that the UK will take such a person.

It is also an expensive option. The minimum cost of placing a Manx prisoner in a UK prison is around £35,000 a year. Depending on the nature of the offence, that cost increases quite considerably, so it is a very costly exercise.

If I could just answer the second part to the hon. member's question. The build time of the new prison depends very much on the method of building which we choose to go for. At the moment we very much favour continuation of the same modular type of development which has been very successful in developing the new segregation unit. If that was to be accepted, the actual physical build time will be between 18 months and two years. So from start to finish it is just possible, if we are given a fair level of support by hon. members and by the planning system, that the whole exercise could be completed within three years, but that means that the problems that we have to grapple with at the prison at the moment, such as early release, will continue for those three years until we have got this problem finally resolved.

Mr Karran: Vainstyr Loayreyder, does the minister not agree that some in the judiciary are bringing the criminal system into disrepute by not looking at alternatives that would be more effective, more efficient and better all round than throwing people in prison too often.

Mr Bell: Mr Speaker, it is not for me as minister to comment one way or the other as to whether the judiciary are bringing the system into disrepute. What I can tell the hon. member, though, from the research I have been able to carry out within my department, is that it does appear that over the last five years there has been a tendency to imprison people for a much less serious level of crime than had ascertained previously, and this has undoubtedly made quite an impact on the prison population.

I should also point out that, to be fair to the judiciary, they have now started using probation and community service sentences a lot more than they have done previously.

However, this in itself, coupled with the early release programme, has caused considerable problems for the probation service itself, so much so that I will be next year increasing the number of staff employed by probation, simply to cope with the extra workload which has now been thrust upon them.

The Speaker: Hon. members, items 8,9,10,11 and 12 are for written answer and I understand the answers have been circulated to hon. members.

**Ballamona Hospital – Admissions involving Alcohol Abuse –
Question by Mr Henderson for Written Answer**

Question 8

The hon. member for Douglas North, Mr Henderson, to ask the member for Health and Social Security:

- (1) *How many persons -*
 - (a) *under 18 years, and*
 - (b) *over 18 years and under 26 years were admitted or referred to -*
 - (a) *the acute admission ward at Ballamona Hospital; and*
 - (b) (i) *the drug and alcohol support service,*
 - (ii) *counselling service, and*
 - (iii) *the drop-in centre operated or supported by your department; and*
- (2) *in respect of each of the foregoing categories, what percentage of the total was recorded as involving, directly or indirectly, abuse of alcohol?*

The question unfortunately does not indicate the period over which the information is sought. In such circumstances, the following data covers the 12-month period to 31st October 1998.

(1)		<u>Under 18</u>	<u>18-26</u>
(a)		11	53
(b)	(i)	7	50
	(ii)	28	119
	(iii)	1	44

(2) Not available: existing medical records data does not routinely categorise patients by reference to 'abuse of alcohol'.

**Noble's Hospital – Admissions involving Alcohol Abuse –
Question by Mr Henderson for Written Answer**

Question 9

The hon. member for Douglas North, Mr Henderson, to ask the member for Health and Social Security:

- (1) *How many attendances at the accident and emergency department of Noble's Hospital in the 12 months to 31st October 1998 involved patients -*
 - (i) *under 18 years; and*
 - (ii) *over 18 years and under 26 years; and*
- (2) *in respect of each of the foregoing categories, what percentage of the total was recorded as involving, directly or indirectly, abuse of alcohol?*

Answer

- (1) (i) 5,484;
(ii) 3,902.
- (2) Not available: existing medical records data does not routinely categorise patients by reference to 'abuse of alcohol'.

**Gynaecologists – Termination of NHS Contracts –
Question by Mr Singer for Written Answer**

Question 10

The hon. member for Ramsey, Mr Singer, to ask the member for Health and Social Security:

- (1) *How many gynaecologists have terminated or have had terminated their National Health Service contracts during the last three years;*
- (2) *for what reasons were the contracts terminated; and*
- (3) *did any of these gynaecologists receive a sum of money on the termination of their contract and, if so, what were the maximum and minimum amounts which were received?*

Answer

- (1) 1.
- (2) retirement in the interest of the efficiency of the service
- (3) 1 - retirement gratuity £64,256

**Alcohol Abuse – Arrests, Cautions, and Attendances at Incidents –
Question by Mr Henderson for Written Answer**

Question 11

The hon. member for Douglas North, Mr Henderson, to ask the Minister for Home Affairs:

- (1) *How many (a) arrests, (b) cautions, and (c) attendances at incidents which resulted in no further police action were made by the Isle of Man Constabulary in the 12 months to 31st October 1998 involved -*
 - (i) *persons under 18; and*
 - (ii) *persons over 18 years and under 26 years; and*

(2) *in respect of each of the foregoing categories, what percentage of the total was recorded as involving, directly or indirectly, abuse of alcohol?*

Answer

I am unable to provide all of the information requested in this question due to the manner in which police statistics are recorded and the absence of a computerised statistical system. In particular:

- (a) information on juveniles is only available on those under 17 years of age rather than under 18 years;
- (b) it is not possible to isolate offenders in the 17 or 18 to 26 years age group from all of those in the over 17 years of age category;
- (c) information is not readily available on attendances at incidents which resulted in no further police action; such information could only be obtained by individually examining the records of every incident attended;
- (d) information is not readily available on the number of incidents in which the abuse of alcohol was an indirect factor.

The information I am able to provide in relation to the period 1st November 1997 to 31st October 1998 is as follows:

(1) Persons under the age of 17 years_

- (a) number of persons arrested 463
- (b) number of persons arrested for offences directly related to alcohol 35 (7.5 per cent)
- (c) total number of offences for which persons in this age category were responsible 835
- (d) total number of offences for which persons were prosecuted 546
- (e) number of offences directly related to alcohol for which persons were prosecuted 61 (11.2 per cent)
- (f) total number of offences for which persons were cautioned 289
- (g) number of offences directly related to alcohol for which persons were cautioned 58 (20 per cent)

(2) Persons aged 17 years and over

- (a) number of persons arrested 1859
- (b) number of persons arrested for offences directly related to alcohol 462(24.8 per cent)
- (c) total number of offences or which persons in this age category were responsible 4442
- (d) total number of offences for which persons were prosecuted 3497

(e)	number of offences directly related to alcohol for which persons were prosecuted	516 (14.75 per cent)
(f)	total number of offences for which persons were cautioned	945
(g)	number of offences directly related to alcohol for which persons were cautioned	69 (7.3 per cent)

It should be noted that -

- (1) In addition to the number of persons arrested, a number will have been reported for summons.
- (2) Figures quoted for offences include all categories of offences, including motoring offences.

Public Electricity Supply – Connection Cost to Homeowners – Question by Mr Rodan for Written Answer

Question 12

The hon. member for Garff, Mr Rodan, to ask the Minister for Trade and Industry:

In respect of the 19 dwellings in the Isle of Man which have never been connected to the public electricity supply -

- (1) *what would be the total cost charged to the homeowners by the Manx Electricity Authority for connection;*
- (2) *what would be the average cost per dwelling; and*
- (3) *what is the median cost?*

Answer

- (1) The estimated total cost of connecting to the public electricity supply the 19 properties which have been identified as never having been so connected is £1,791,000.
- (2) The average cost per dwelling is £94,263.
- (3) The median cost is £60,000.

Bill for First Reading

The Speaker: We turn then to item 13 on our order paper, the Statistics Bill for first reading, and I call upon the learned Secretary.

The Secretary: The Statistics Bill, Sir Miles Walker.

Children and Young Persons (Protection from Tobacco and Liquor) Bill – Third Reading Approved

The Speaker: Item 14, the Children and Young Persons (Protection from Tobacco and Liquor) Bill for third reading, and I call upon the hon. member for Ramsey, Mr Singer.

Mr Singer: Thank you, Mr Speaker. I am pleased to present for third reading the Children and Young Persons (Protection from Tobacco and Liquor) Bill. The Bill will make it an

offence for an adult to buy tobacco products on behalf of a child under 16 years of age and to supply tobacco or cigarette papers for the use of a person under 16 years of age.

We had a very useful debate, I felt, at last week's clauses stage when discussing the amendment put forward by the hon. member for Castletown, and the amendment as accepted by this hon. House does allow a court to accept the defence that a parent or guardian supplied the under-age person with tobacco products in private. I suppose it is too much to hope that all those with parental responsibility will accept that responsibility, but I am sure the great majority will by actively and constructively encouraging their children not to smoke.

A police officer can issue a summons against an offender and on conviction the court can impose a fine of up to £2,500.

Deaths from the consequences of smoking are far greater than from drugs and together with the education programmes that are available to young people via the schools and the youth service I believe that access to what are addictive, killer products can and will be reduced to the young people by this Bill and I hope we will consequently see a reduction in smoking amongst young people.

The Bill also makes it an offence to buy or act as an agent in buying or supplying liquor for consumption by a person under 18 on a highway or public place. A defence is included to permit the supply for consumption in circumstances where there is supervision by a parent, guardian or adult relative. Similar to my earlier comment, I hope that the majority of parents will accept the great responsibility that is placed upon them. I am sure they will.

As has been mentioned before, there is a definite problem whereby young people, often as young as 10, ask older persons to go into a retail outlet to buy alcoholic products for them or are supplied in other ways, and I believe that we have to protect these young people. I am sure that anyone in this hon. House who, like me, has or has had young children or grandchildren will fully understand the concerns and that we have to make efforts which, like anything else can never be 100 per cent effective, but that is no excuse to belittle any process that can and will give them protection. Children are exposed to many pressures and hazards by predation and exploitation and I believe it is always our duty to protect them. The police can issue a summons and on conviction the court can impose a fine of up to £2,500.

I would like to take the opportunity to thank Mr Michael Boyde in the Attorney-General's office for his help in putting this Bill together and also for his patience, as it was important that this Bill was properly thought through. I would like to thank the education department for their support and particularly the police and the home affairs department for their constructive comments and support, because in giving their support, the home affairs department are aware that the police are the ones who will make this work and I am confident therefore that in lending their support they believe it will help them in situations where at present they have no powers.

Mr Speaker, I therefore move this third reading of the Children and Young Persons (Protection from Tobacco and Liquor) Bill.

Mr Downie: I rise to second, Mr Speaker, and reserve my remarks.

Mrs Crowe: Mr Speaker, I rise in support of this Bill, which improves the legislation governing supplies of tobacco and liquor to minors in one particular area.

As the hon. mover of the Bill is aware, I have been in discussion with the Department of Health and Social Security regarding several other areas that we felt could be incorporated into their amendment Bill, which will replace the Children's and Young Persons Act 1966. Unfortunately these amendments have not been incorporated into their Bill at this time and when I asked the hon. member for Ramsey if the amendments could be incorporated into his Bill he felt they were too extensive.

I respected the views of the hon. member and mover of this Bill and I hope that the further measures that I will be bringing forward regarding tobacco and solvent sales to minors will be as well supported.

Mr Henderson: Mr Speaker, I rise to support the hon. member for Ramsey's Bill and I think it is a very important step in our Island's legislation and it is certainly one that recognises the importance of the alcohol and tobacco problems that we are experiencing at the minute, and certainly as a healthcare worker I have seen the damaging effects of alcohol and tobacco and it is nice to see that this Bill is coming forward for its third reading and in my opinion it is not before time, and certainly I would like to congratulate the member on his courage for actually progressing the issue and illustrating that there are very real problems out there.

Now, I accept that the issues of policing and so on may well cause some difficulties, but on balance this is a Bill that is actively going to help. It is not going to hinder, it is helping and it is highlighting issues that need to be addressed, and in that respect it can only be a positive asset to our community and therefore I support it.

Mr Houghton: Mr Speaker, I also rise to associate myself with the previous speakers in wishing this Bill good progression through another chamber and into law. It will have a beneficial effect and it will close a loophole that is there and clearly exposed. Thank you, sir.

Mr Singer: Mr Speaker, can I once again thank Mr Downie for seconding this third reading and the previous readings.

I thank Mrs Crowe for her support, and, yes, we did have a long discussion and I did feel that perhaps her Bill was extensive and did change the main thrust of this Bill, but I wish her luck with her Bill.

I thank Mr Henderson for his support, which he is offering from his experience, and also Mr Houghton for his continued support, and I cast my mind back to the readings and clauses stages of his public order private member's Bill and the doubts that were expressed at that time from certain quarters as to difficulties in implementation. It must certainly be extremely pleasing to the hon. member to know that the police are able to use the Bill's powers on a very regular basis and are reducing the aggro on the streets of the Isle of Man, and I think further congratulations are also due to him and also to him for having the courage to put that forward and press on with it.

So I thank those people who supported the Bill and I welcome the support which I hope to have on this third reading. Thank you, Mr Speaker.

The Speaker: Hon. members, the motion is that the Children and Young Persons (Protection from Tobacco and Liquor) Bill 1998 be read a third time. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

Estate Agents Bill – Third Reading Approved

The Speaker: Item 15, hon. members, the Estate Agents Bill, again for third reading, and I call upon the hon. member for Ayre, Mr Quine.

Mr Quine: Thank you, Mr Speaker. Hon. members will recollect that this Bill flows from a working party consisting of His Honour Arthur Luft CBE, Mrs Rosemary Penn JP and Mr Maurice Fargher, who were tasked to examine the law relating to estate agents, a white paper issued in June 1993, following which there has been expansive consultation. I might add that the existing principal legislation dates back to 1975.

A number of items relevant to the Isle of Man situation were focused on by the working party. The need for greater clarification in the use of certain contract terms has been addressed. Also addressed was the issue of misleading statements and misdescription of property, and the need to identify further matters which may be dealt with by rules under the principal Act received their attention.

Now, with regard to the Bill itself, clause (1) creates an offence of misdescription of property, one of the matters focused on by the steering group. Invested powers and enforcement powers which the department do not now have have been brought in under clause (2) and the schedule, and related to the principal offence of course there is a defence of due diligence provided for under clause (3).

Now, clause (4), requiring a registered estate agent to be in charge of each office, proved to be more contentious. This clause was referred to a select committee which was chaired by Mrs Crowe, and a compromise provision has been approved by this hon. House.

Of course clause (5) amends schedule 2 to the 1975 Act so it specifies those matters brought out by the working party which can in future be covered by rules.

Mr Speaker, I beg to move that the Estate Agents Bill 1998 receive its third reading.

Mr Braidwood: I beg to second, Mr Speaker, and reserve my remarks.

Mrs Crowe: Mr Speaker, I feel I must comment on this outdated legislation to address a problem which really does not exist.

The Estate Agents Bill 1998 does nothing to protect the consumer. The legislation could have included regulation regarding property management and letting agencies and it could have addressed the problem of gazumping, which could have afforded the consumers on the Isle of Man a degree of protection.

I do not support this legislation. Thank you, Mr Speaker.

The Speaker: I call upon the hon. member for Ayre, the hon. member Mr Quine, to reply.

Mr Quine: Thank you, very much, Mr Speaker. I think it is unfortunate that we have the chairman of I think it is now called the Office of Fair Trading -

Mr Cannan: A grandiose title.

Mr Quine: - speaking in these terms because quite clearly if one reads the Bill it is manifestly apparent that it goes a long way to protecting the consumer, as she puts it. As I spelt out in moving this third reading, we have issues of definition in relation to contract terms, which as a matter of record have been a problem and have given rise to injustices. We have an expansion of rules to cover again infringements, which are a matter of record and which we

have not been able to address in the past, and these are not imaginary matters which have been brought up by the department, these are matters which were brought up by a working group independent of the department who examined the legislation, took evidence and arrived at these conclusions.

So I think her comments do not stand scrutiny to any extent whatsoever, but, as I say, I think it is unfortunate that these comments should come from her because at this point in time when we are changing from the Board of Consumer Affairs to the Office of Fair Trading it simply will go to underline the concerns that some people have that she is moving away from her responsibilities for consumers to the trade itself.

Now, the next matter that she raises is this matter of gazumping. That was made quite clear when we had the second reading. The position was explained. It is not the time for us to take that on board because it is a matter which is going to be dealt with when other reports are to hand. Hon. members are aware, for example, there is extensive research into this taking place in the United Kingdom. There would be no point in us reinventing the wheel. These matters will be addressed, and that has already been explained to this hon. House.

Mr Speaker, I beg to move that the Estate Agents Bill receive its third reading.

The Speaker: Hon. members, the motion is the Estate Agents Bill be read for a third time. Will those in favour please say aye; against, no. The ayes have it. A division called.

A division was called for and voting resulted as follows:

For: Messrs Gilbey, Cannan, Quine, Rodan, North, Sir Miles Walker, Messrs Brown, Houghton, Henderson, Cretney, Duggan, Braidwood, Shimmin, Mrs Hannan, Messrs Singer, Bell, Corkill, Cannell, Gelling and the Speaker - 20

Against: Mrs Crowe - 1

The Speaker: Hon. members, the motion carries with 20 votes cast for, 1 vote cast against.

Town and Country Planning Bill – Third Reading Approved

The Speaker: We turn then to item 16 on our order paper, the Town and Country Planning Bill, again for third reading and again in the hands of the hon. member for Ayre, Mr Quine.

Mr Quine: Thank you, Mr Speaker. The Town and Country Planning Bill 1998 replaces the present Acts relating to town and country planning which date back to 1934 and these have been the subject of considerable debate, particularly during the second reading. That said, it must also be remarked that some provisions of the 1934 and subsequent legislation have stood the test of time and are to be enacted with little change.

Hon. members will recollect that part 1 deals with the strategic planning and imposes on the Department of Local Government and the Environment the obligation to prepare and keep up to date an all-Island development plan and this all-Island development plan is to consist of an all-Island strategic plan and a number of area plans, and planning policy statements are also brought into being.

Part 2 deals with development control and embraces such matters as the defining of development planning approval development orders.

The empowering of the Council of Ministers to call in applications of national importance and applications concerning the Department of Local Government and the Environment are also provided for in this part.

Part 3 deals with planning controls relating to buildings of special architectural and historical interest, conservation areas and advertisements.

Part 4 concerns planning enforcement. A new, more flexible scheme of enforcement planning control is provided for, introducing the new concept, or at least new to the Isle of Man, of enforcement notices.

Part 5 makes supplementary provisions.

A number of amendments were moved, the majority of which have been approved by this hon. House. I have in mind in particular the amendments to clause 2 schedule 1, clauses 6, 10, 15, 30, 36, 41, and 43 and 44 in particular. I am grateful to the hon. members who moved these amendments which, taken in the round, strengthen the Bill.

Two questions were raised during the clauses stage to which I would take this opportunity to respond.

The first concerns the retrospectivity of enforcement notices under clause 26 and schedule 4. Changes of ownership do not preclude the issue of an enforcement notice on the current owner. A planning search attached to the conveyancing of a property would inform the prospective owner of the existence of such a notice. The department is required by clause 41 to keep a register of stop notices and enforcement notices for reference by the public. Periods of retrospectivity are specified in paragraph 3 of schedule 4. This schedule also provides a right of appeal in respect of the issue of an enforcement notice.

The second matter which arose in the debate I think was brought up by the hon. member for Glenfaba and in fact has been addressed by an amendment which was moved and supported, an amendment to clause 36(2). So as this amendment has carried, his concerns, of course, have been already met and the issue is now somewhat academic. However, as there was interest shown in the debate on this matter, I am advised that public right of access, a matter, I think, which the hon. member for Castletown raised when we were debating this, is akin to right of way and would not extend to hotels and shops, which was the fear of some members. The bottom line is that the sub-clause as drafted and the sub-clause as amended are substantially the same.

Mr Speaker, I beg to move the Town and Country Planning Bill be read for a third time.

Mr Rodan: I beg to second, Mr Speaker, and reserve my remarks.

The Speaker: Now, hon. members, does any hon. member wish to speak to the third reading? In that case, hon. members, the motion before the House is that the Town and Country Planning Bill be read a third time. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

National Lottery Bill – Clauses Considered

The Speaker: We turn then to item 17 on our order paper, hon. members, and I call upon the Treasury minister, the hon. member for Onchan Mr Corkill, to take clause 1.

Mr Corkill: Thank you, Mr Speaker, clause 1(1) allows Treasury to designate, by order, that the United Kingdom National Lottery will be excluded from the prohibitions contained in the Isle of Man Gaming, Betting and Lotteries Act.

Sub-clause (2) allows for an order under sub-clause (1) to specify that a proportion of the duty received by the Isle of Man Treasury in respect of the sales of UK National Lottery tickets on the Island be paid to the Public Lottery Trust.

Sub-clause (3) amends the Customs and Excise Management Act of 1986 so that the proportion of duty to be paid to the Public Lottery Trust under sub-clause (2) will not form part of general revenue.

Sub-clause (4) states that an order made by Treasury under the sub-clause will only operate with Tynwald approval.

Mr Speaker, I beg to move that clause 1 stand part of the Bill.

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

Mr Downie: Mr Speaker, I rise to support the Bill. However, given the strength of feeling that there was at the clauses stage, I would like to ask the minister if, during the time between the clauses stage and the third reading of the Bill, how many of the bookmakers he has met and discussed the various aspects with, as he indicated last week that he was prepared to do that?

I would also like to ask the minister now if he can clarify exactly what is to happen with the progression of the lottery? Is it going to be entirely a matter for Camelot as to what happens in the Isle of Man? Will they determine where the outlets are going to be for the points of sale or will the Isle of Man Government have some say in the matter? And the reason I flag this up is, wearing another hat, we have 34 post offices and sub-post offices in the Isle of Man.

A Member: Oh dear!

Mr Downie: Given the Department of Health and Social Security's continuing wish to have more and more payments made through direct debit, there has been a significant loss of revenue-earning potential by a lot of these small post offices and I think that if the lottery were to be introduced into some of them it would definitely have a much larger impact on their ability to create some additional revenue. I feel that if we do not start looking at providing additional revenue-earning potential for some of these offices in the rural locations, a decision will have to be made in the near future to perhaps close them and deprive some of these smaller communities of an opportunity for their own office.

I think it would be sad if Camelot came in here and they just went to people who they thought should have outlets, and other people in the community were disadvantaged. There are pluses and minuses here and I think that there has to be, in my opinion, some input somewhere along the line by government, there has to be some memorandum of understanding between the Isle of Man Government and Camelot. We have to be absolutely certain that in introducing the lottery some elements of the community will not be

disadvantaged and I would just like the minister to bear that in mind when the Bill moves on to another place and in fact before the Camelot people come in and set up in the Island. Thank you, Mr Speaker.

Mr Karran: Vainstyr Loayreyder, I think the points from the hon. member for West Douglas are very valid points. There is also the point that I think it would help the viability of making sure that small rural post offices can keep on their feet and I think that is a very important issue as far as the rural communities are concerned, and my argument would be that it is worthy of investigation.

But I feel that the fact of the matter is that we will end up having no say, and let us be honest about it. The fact of the matter is if we allow this to go ahead we will have no say on issue of how it is run, who gets it. I wrote to the Treasury minister some time ago on this very subject as far as the National Lottery is concerned.

I am not happy with this piece of legislation and unfortunately could not express my concerns at the second reading stage at the way it is drafted because I believe that it is wrongly drafted in the fact that the lottery will form part of the National Lottery under the National Lottery etc. Act of Parliament of 1993. Now, as far as I am concerned, I find that offensive and I cannot support this piece of legislation because in my opinion it is once again highlighting this county council of England mentality that seems to be down in the Attorney-General's department, and as you know, until we have some legal draftsmen up here in this department, then it is very difficult to move. To be fair to the Attorney-General's department, I have not attempted to try and contact them this time as far as amendments are concerned, but I feel this just highlights the UK's mentality as far as this Island is concerned when we talk about it forming part of the National Lottery. We are not part of the United Kingdom. It is not our National Lottery, it is the United Kingdom's National Lottery, and I feel that it should be drafted in that way as far as that is concerned.

Whilst I have said that the points from the hon. member for West Douglas are very admirable and have very good points, the fact of the matter is we are going to be completely unable to affect that, in my opinion, with this piece of legislation, I would imagine.

I also feel, because of the haste and the way that some people want this in at any cost, concerned about clause 2 which talks about the orders for the amount -

The Speaker: Hon. member, we will eventually reach clause 2. We are dealing with clause 1 at the moment, sir.

Mr Karran: Sorry, Vainstyr Loayreyder, clause 1(2), I do apologise - about the laying of orders as far as the amount that the Public Lottery Trust is concerned with. I would like the mover to clarify that it is the case that it will be sorted out in clause 2(5) that any order will be laid. I am not happy with it being laid, I believe it should be approved. I know that there is a procedure to get issues that are laid debated. I am not concerned about that.

But I am not happy with this clause because I feel it should be highlighting that this is the United Kingdom's lottery, we are not part of the United Kingdom, we are the Isle of Man, and I think we help to shoot ourselves in the foot by passing such badly drafted legislation in the first place.

Mr Cannan: Mr Speaker, I fully support this clause, and as I understand it, thousands of people in the Isle of Man are weekly buying tickets in the lottery in the United Kingdom, and the Isle of Man is disadvantaged. There is nothing new in this. Thousands of people used to buy football coupons and the pools, and the money went to the United Kingdom. Thousands of people in the Isle of Man invest in premium bonds because they hope every month that one of them will win a million pounds, and many of them in the Isle of Man monthly win many of the smaller prizes. There is nothing new in this whatsoever.

It does not disadvantage the Isle of Man, it benefits the Isle of Man because the tickets will be bought here in the Isle of Man, it will benefit those retailers that have outlets, it will convenience the people of the Isle of Man that they can buy tickets instead of having to send a cheque off to their brother, sister, aunt or whatever in the United Kingdom, and probably have to pay a commission if they win to their aunt, brother, mother, sister or whoever in the United Kingdom if they win £14 million.

A Member: I am planning to do so.

Mr Cannan: But what I am clearly saying is that this is to the advantage of the people of the Isle of Man. It does not disadvantage the Isle of Man. Whatever we get from the lottery we are getting more than we are getting at present because at present we are getting absolutely nothing. It is money going straight off the Isle of Man and the benefits are in the United Kingdom and we cannot get any of the money to fund those charitable institutions in the Isle of Man which we would like to be funded, and there is going to be a benefit because the lottery trust on the Isle of Man is going to receive a sum which it can then distribute amongst good causes in the Isle of Man. This can only be good. As I said at the beginning and I will say it again, it benefits those thousands who buy them already, it benefits those who will sell them in the Isle of Man, and it will benefit those good causes in the Isle of Man, all of which have had, up to this present time, no benefit at all.

Mr Cannell: Mr Speaker, on clause 1 I come back to the points I made at an earlier hearing, in that we are not having this foisted upon us, we are actually volunteering to take this (**Mr North:** Hear, hear.) for the benefit of our residents on the Island, and as the previous speaker has just said, the benefits are much better than now which are nil, of course, because we shall be receiving 12 per cent which is the duty on the lottery, but I repeat that it is the use of that 12 per cent which concerns me. I would like to have a repeated assurance that the Treasury will look at donating as much as it possibly can of the revenue of that taxation towards the funds as in clause 1(2) to the Manx Public Lottery Trust for its use and we will not see that some of the use of that duty may be put to other purposes other than benefiting the people who can apply to the Manx Lottery Trust.

A secondary point is the use of the funds which will accrue to Camelot by the purchase of tickets in the Isle of Man because they will be receiving 88 per cent of the sales of the Isle of Man's tickets without any obligation to provide anything directly to the Isle of Man for those tickets for the use of the public lottery, and I would urge the hon. Treasury minister to continue to press, although I agree 12 per cent is better than nothing, but if we could have the further knock-on benefit of direct input to the Isle of Man of the due share of the product of the profit directly back to the Isle of Man, that might not amount to some of the grandiose schemes that I already hear are being mooted for the arts, for sports, millions of pounds of the type we have heard from Britain. I am sure that Camelot would probably say, 'You cannot apply to the

general fund, you would be only entitled to benefit from a direct proportion to the number of sales you engender in the Isle of Man.'

But it is the Treasury part which concerns the public. I regret to say they are suspicious and I call upon the Treasury minister to allay those fears.

The Speaker: I call upon the Treasury minister to reply to the debate.

Mr Corkill: Thank you, Mr Speaker. In response to the hon. member for West Douglas, Mr Downie, he referred to the strength of feeling which was shown in the bookmakers and their petition, their representation at the last reading of this Bill, and I can confirm that I am meeting with one particular bookmaker at lunch-time today; that is the earliest meeting that has been able to be fitted in for my diary and this particular person's diary. So I am still liaising with the bookmakers, but having said that, I would not wish that to be seen as any sort of false hope with regard to the fixed odds betting situation which was referred to in the second reading, because it is my understanding that that option does not exist.

The other point the hon. member made was with regard to outlets and how they will be determined and that will be a matter for Camelot, as it is in the UK, because it is a privately operated lottery. It is different from the way in which the Isle of Man ran its lottery where in fact the Treasury determined the outlets, not that we could ever get enough of them, and the situation is different. So I also would not want members to think that Treasury will be able to determine where those outlets will be.

But I take on board very much his comments regarding the viability of particularly small sub-post offices in rural areas where it is an important part of the community, it is a focal point, and I do appreciate and have had discussions in other areas with the hon. member regarding methods of trying to improve the viability of small sub-post offices, particularly in rural communities, but at the end of the day, of course, that viability is dependent upon customers walking through the door and certainly one of the issues that I would see as perhaps an obstacle is the opening hours. Post offices tend not, in my experience, to have moved their opening hours in line with customer demand (**Mr Cannell:** Hear, hear.) in the way that other retail establishments have, and that is not a matter for me to get involved in, but I flag it up as a particular issue that is sometimes raised with me on a constituency basis, but also it is a fact of life and that may be an issue for post offices to consider as the situation towards the implementation, hopefully, of this Bill, this legislation, progresses.

There are positives and there are minuses with regard to importing this legislation and so I hope I have made it clear to hon. members what the negatives are, but of course the positive aspect that we are trying to gain, quite pragmatically, is to lay claim to the duty on the tickets that are already being sold and will be sold in the future.

The hon. member my colleague from Onchan, Mr Karran, also mentioned this issue of viability, so I will not repeat those comments. But certainly on his comment regarding the way the Bill is drafted and the inference that 'National' should be our 'National', I fully sympathise with what he means and it may well be that in the way Bills are drafted generally there could be an improvement in referring to the fact that we have separate parliaments, as was discussed at Question Time this morning. So I understand where he is coming from that he is upset about the way 'National' is referred to, but the reality, of course, is that the way the Bill is drafted it refers to UK legislation and within that UK legislation the text refers to the term

'National Lottery'. There was no need for the UK to insert the word 'UK' because obviously they were talking about themselves when drafting that legislation and this Bill seeks to allow for that legislation to be active on the Island and so it is by default in effect that the words 'National Lottery' appear in that way. But I certainly understand the point the hon. member makes, but the legislation here is referring to the UK National Lottery Bill and in the way their legislation is drafted that terminology is National Lottery Bill. So I hope that clears that point.

We get to clause 2(5) later, but the hon. member referred to clause 2 and with regard to Tynwald having to give approval to the order, and that certainly is the case.

I thank the hon. member for Michael, Mr Cannan, for his support and he has certainly stated the benefits, the convenience, the advantage to members of the Manx public, and I think he has reiterated the point that it is more than we get at present, and that is where this Bill is focused. It is trying to prevent this loss of duty leaving the Island.

Now, the hon. member my other colleague from Onchan, Mr Cannell, basically is talking about ring-fencing this money for the purposes of the Public Lottery Trust, and if I can reassure him, the way this Bill has been drafted is such that in sub-clause (3) we have made it clear that this will not be part of the general revenue and that when the order that has to be approved by Tynwald does surface, if this Bill becomes law, then in fact that issue will be addressed and it is certainly something that has been debated within Treasury, that we should honour our obligations with the importation of this legislation that we then direct that duty towards good causes.

Mr Cannell: All of it?

Mr Corkill: Now, whether it will be all of it is not part of this legislation but it will be part of that order, and I cannot give a categorical assurance that it will be all of it but I would certainly hope it is the majority of it, and I hope hon. members will trust me in that respect, that the proof of the pudding will be when this order surfaces, and I take on board the comparison that has been made with regard to football pools where in fact the duty there has just gone into general revenue where we have had a share of that duty, although it is declining now, as pools have declined, that duty has just gone into general revenue and been mixed in with all the other fees and duties that government receives. This is not the intent with this Bill and that is why it is drafted in the particular way that it is, but certainly it is only a halfway step because it is not the full equivalent of what the UK has because the UK does have these commissions which then distribute funds towards charitable and various issues that we see in the press from time to time where large amounts of money are targeted on particular issues. We will not have access to that particular issue. This Bill, as I have said before, is purely focused on this 12 per cent duty which will have a nett benefit to the revenues of this Island and certainly I would hope to see most of those revenues directed towards the Public Lottery Trust.

I beg to move that clause 1 stand part of the Bill.

The Speaker: Hon. members, the motion is that clause 1 stand part of the National Lottery Bill. Will those in favour please say aye; against, no. The ayes have it.

A division was called for and voting resulted as follows:

For: Messrs Gilbey, Cannan, Quine, Rodan, North, Sir Miles Walker, Mrs Crowe, Messrs Houghton, Henderson, Cretney, Braidwood, Mrs Cannell, Messrs Shimmin, Downie, Mrs Hannan, Messrs Bell, Corkill, Cannell and Gelling - 19

Against: Mr Karran and the Speaker - 2

The Speaker: Hon. members, the motion carries in the House with 19 votes cast for, 2 votes being cast against.

We move on to clause 2 and I call upon the hon. Treasury minister.

Mr Corkill: Thank you, Mr Speaker. Clause 2(1) enables the Treasury to apply, by order, to the Isle of Man the United Kingdom National Lottery legislation.

Sub-clause (2) provides for any modification of the United Kingdom legislation to be applied as law to the Island.

Sub-clause (3) specifies which United Kingdom legislation may be applied to the Island.

Sub-clause (4) - an order under this clause may detail any amendments made to United Kingdom legislation or, if a United Kingdom order applied by the Island is amended by the United Kingdom, then an order may be prepared in the Island setting out the detail of the amendment.

Sub-clause (5) states that an order under this clause must be laid before Tynwald no later than the second sitting following the making of the order. The order will cease to have effect if Tynwald fails to approve the order.

Sub-clause (6) requires an order under this clause to have a text of the legislation applied by the order annexed to it. The text must incorporate the exceptions, adaptations and modifications specified in the order.

Sub-clause (7) states that sub-clause (6) shall not apply when the text has already been incorporated into the order, as in sub-clause (4) above.

I beg to move that clause 2 stand part of this Bill.

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

Mr Rodan: Mr Speaker, just a couple of points for clarification. Sub-clause (4): 'An order under this section may do all or any of the following - (a) specify the exceptions, adaptations and modifications subject to which the United Kingdom lotteries legislation applies to the Island'. Does this Act mean that if government is minded to modify UK legislation - for example to make exceptions for the benefit, let us say, of fixed odds betting - that it could do so and if it did, would it need the approval of Camelot or would it need the approval of anyone else?

Secondly, in sub-clause (5) it says that the order shall be laid before Tynwald as soon as practicable after it is made and in any case not later than the second sitting of Tynwald following the making of the order. I just wondered why you are specifying not later than the second sitting following the making of the order, there having been obviously another sitting immediately after making the order, logically. Why not do it at that first sitting?

Just to confirm also that it is a case of not just laying the order but tabling it for debate and approval, in answer to the hon. member for Onchan, Mr Karran's point earlier; it says that

it needs approval, but perhaps you would be good enough just to confirm that. Thank you, Mr Speaker.

Mr Karran: Vainstyr Loayreyder, again the concern I have is I think it is very badly timed at the present time when we are talking about the imperialist government in the adjacent isle and the fact of their constitutional links as far as their gunboat in the harbour for several hundred years, but here we are saying that we will incorporate their legislation into the Island.

I was rather concerned about this clause. I just wonder whether the hon. Minister for the Treasury can tell this hon. House the thinking behind it. There might be a good reason why you lay it and then it has to be approved in two sittings, but I just cannot understand why that is the case.

I think that we should not be giving any inference to the adjacent isle that they can legislate in any way, in my opinion, and I am afraid that I think it is wrong to be putting any legislation down that should be laid. It should be quite clearly put down, so there is no misunderstanding, it should be approved.

I am disappointed, to be perfectly honest with you, that we have not seen, and maybe the hon. member will be able to tell us, whether there were any moves to try and see whether the Irish lottery would have been interested in coming to this Island, that actually provides more chances for people to win than going for the moon with the United Kingdom in which the odds are much greater.

The Speaker: I call upon the Treasury minister to reply to the debate.

Mr Corkill: Thank you, Mr Speaker. With regard to the first comment to this clause from the hon. member for Garff, Mr Rodan, he raised this issue of fixed odds, and with regard to this clause it is quite clear that here in the Isle of Man we can apply - it is our choice whether we wish to or not - parts or any parts of particular UK legislation. That decision rests here on this Island and there may be parts that we choose not to apply. If that was in relation to fixed odds betting, the scenario that has been discussed previously as this Bill has moved through this hon. House, then the ability to do that exists. What I would say is that having done that, the deal, as it were, would be off. That is a matter for OFLOT and for Camelot, and those are the people that the Isle of Man Treasury has been negotiating with to get to this position, and there is no determination by those authorities as to which legislation the Isle of Man should or should not approve. That is a matter for this hon. House.

What I would also like to say is that with regard to sub-clause (5) and this aspect of the second sitting, we do of course have a summer recess and there may well be situations where the rules, as it were, to the lottery could change, the legislation could change, and we would wish to have continuity. That would not prevent the debate occurring if that was what the parliamentary process in the Isle of Man would wish to have, but there needs to be this continuity situation.

Now, the hon. member my colleague from Onchan, Mr Karran, says this is bad timing. He mentioned the words again several times this morning, 'imperialism' and 'gunboat in the harbour'. There is no imperialist gunboat in the harbour telling the people of the Isle of Man to buy lottery tickets. They are buying them anyway.

Mr Karran: No, but we are talking about legislation being forced on the Isle of Man.

Mr Corkill: Now, the legislation is not being forced into the Isle of Man (*Mr Karran interjecting*) and I was just trying to, in response to the hon. member Mr Rodan's comments, explain that we choose either to implement this UK legislation to have effect in the Isle of Man or not, and this is not something new. We do it with customs and excise orders where we have an agreement to have a parallel situation and therefore we have orders which allow drafted existing UK legislation to have effect in the Isle of Man, and it is done in a number of situations and I would not want hon. members to think that this was some new initiative, because it is not.

Now, I am in some respects disappointed, like other members, that we are faced with this particular situation. I would far rather have had our own National Lottery in the Isle of Man being successful and providing the funds to the lottery trust, but that is not the case. People have made their decisions and I believe that debate has passed.

I would ask hon. members to support clause 2. This is enabling legislation, the safeguards are there for scrutiny and at the end of the day, before an order can be debated in Tynwald it has to be laid to the Court and that is what this legislation would make or force Treasury to do.

The proof of the pudding will be in the order if this enabling legislation is approved and that is where the details concerning the actual operation will begin to surface.

I hope I have allayed hon. members' concerns and I would ask members to support clause 2.

The Speaker: Hon. members, the motion is that clause 2 stands part of the National Lottery Bill. Will those in favour please say aye; against, no. The ayes have it.

A division was called for and voting resulted as follows:

For: Messrs Gilbey, Cannan, Quine, Rodan, Sir Miles Walker, Mrs Crowe, Messrs Brown, Houghton, Henderson, Cretney, Braidwood, Mrs Cannell, Messrs Shimmin, Downie, Mrs Hannan, Messrs Corkill, Cannell and Gelling - 18

Against: Mr Karran and the Speaker - 2

The Speaker: Hon. members, the motion carries in the House with 18 votes cast for, 2 votes cast against. So we turn now, hon. members, to clause 3 and again I call upon the Treasury minister.

Mr Corkill: Thank you, Mr Speaker. Clause 3(1) details the essential amendments required to section 1(2)(a) and section 29(2) of the Isle of Man Gaming, Betting and Lotteries Act 1988 to specify that a lottery under section 1 of this Bill would not be unlawful. It provides a defence for persons accused of an offence under section 29 of that Act who believe that a lottery to which proceedings relate is declared not to be unlawful by clause 1 of this Bill.

Sub-clause (2) amends section 37 of the Licensing Act 1995 so that a lottery under clause 1 of this Bill would not be unlawful gaming and would permit the sale of National Lottery tickets on licensed premises.

I beg to move that clause 3 stand part of this Bill.

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

Mr Karran: Vainstyr Loayreyder, as I have said before, I personally think the timing of this piece of legislation is not the right timing. I believe here we are talking about being a nation and here we are, carte blanche, bringing in UK legislation. What disappoints me about this legislation - and I am disappointed in the way the hon. member misquotes me as usual about the important issue of protecting the economy of this Island - is the fact that I feel at the present time we should not be bringing this legislation in. If you were in Rome you would do as the Romans. If it is the United Kingdom lottery it is the United Kingdom lottery. We are not part of the United Kingdom.

What disappoints me is the fact that I believe there has not been a thorough investigation to look at alternatives. I was prepared to allow this Bill to go through without mentioning these points, but if the mover of this Bill insists on trying to rubbish members with their concerns at the present time about the timing of this piece of legislation, I appreciate it is very popular to bring in the National Lottery from the adjacent isle at the moment, but we are a government that has to do things for the greater good of our people. How can we say at one moment that we are not part of the United Kingdom, we are our own nation? We have seen in clause 1 we talk about the National Lottery. A National Lottery has a national government. The National Lottery of the United Kingdom Government is the UK Government of the United Kingdom and its Parliament. The National Lottery of the national government in the Isle of Man is the Manx Government which is elected by the Manx people.

I personally feel that this is the wrong time to be bringing this legislation in. I personally feel, if the cards are on the table, there has not been the commitment to try and keep our own small lottery going. One has written letters to them. The fact of the matter is it was not what you knew, it was who you knew that got you sorted out as far as the lottery was concerned in this Island, and I believe the demise of the Manx lottery is partly brought on ourselves because of our own intransigence. It would never compete with the millions of pounds, I am not denying that, but I feel that today is not the time to be debating this piece of legislation.

I would like the hon. mover to inform this House what negotiations were considered as far as the Irish Republic's lottery is concerned. Why was it once again the mainland mentality, 'Well, that's what they do in the UK'? You are in the Isle of Man. There are liabilities and there are pluses and that is why I am disappointed. I think this piece of legislation is ill-timed at the present time. You cannot have your cake and eat it. Either you are part of the United Kingdom or you are not part of the United Kingdom, and I feel that hon. members might give me some abuse about that but I think it is important that somebody expresses it.

Mr Cannan: Mr President, I can only first of all very briefly reiterate that this legislation is brought forth for the benefit of the Isle of Man and the benefit of the thousands of people who partake in the lottery in the United Kingdom and by buying their tickets here will benefit.

But what amazes me - and I have been amazed for many years now - is the inconsistency of the hon. member for Onchan. He attacks us for wanting to introduce into the Isle of Man the National Lottery from the United Kingdom which people in the Isle of Man are already paying into and yet he has no qualms at all about bringing social service and health service orders into Tynwald which are all based on United Kingdom legislation. He is doing that almost every month in the department in which he is in and yet -

Mr Karran: It is called a reciprocal agreement.

Mr Cannan: He has a reciprocal agreement. We are having a reciprocal agreement with the National Lottery. What is the difference, hon. members? We have reciprocal agreements on wages and salaries, whether it is the police, the teachers, the nurses, the doctors or whatever. We have reciprocal agreements on social services and this, hon. members, is a reciprocal agreement that enables the people of the Isle of Man, just as they benefit from all those things that I have mentioned, from now on to benefit by buying their tickets for the National Lottery here in the Isle of Man, and for that purpose alone it is for the general good of the general public as we have had all those other reciprocal agreements with the United Kingdom and I fully support the legislation.

The Speaker: I call upon the Minister for the Treasury, the hon. member Mr Corkill, to respond.

Mr Corkill: Thank you, Mr Speaker. My hon. colleague from Onchan, Mr Karran, I think has accused me of making a popular move. I hope I have made it clear that I too am disappointed that the Manx National Lottery has declined and had to be terminated. That was a fact that happened a little while ago now.

This is a pragmatic move - and I have said this before - to retain the duty on the Island.

The hon. member also mentioned alternatives but then he went on to say it would not compete with the United Kingdom lottery. I think that proves the point. That is the situation that we are in.

Now, with regard to Treasury commitment to the former lottery - and I know the hon. member was critical that Treasury did not support the former lottery - the reality was that we were ultra vires. We were in contravention of the existing primary legislation which refers to the amount of overheads that can be incurred as a part of the total take, and the overheads were beginning to match the total take. It was a non-viable situation which had to be terminated within the legislation that is laid down for us to follow.

But if I could make a parallel, if we were talking about football pools today and this legislation was here to enable us to keep a share of the duty on football pools, I suspect it would be a different debate, but fortunately of course over the years we have been able to keep that duty and that has been applied to the revenues of the Island. There has been a change in people's habits. They are now supporting a different situation which is the United Kingdom National Lottery and this is purely putting the record straight with regard to the duty, and I do not know that I can say in any different ways than what I already have.

But I also have to take issue with the hon. member's comment, I think his terminology was 'who you know' with regard to where the lottery proceeds then went.

Mr Karran: No, I was not on about that.

Mr Corkill: Now, all right, if that is not the case, then I have misunderstood the hon. member's comments.

Mr Cannan: Well, that is easy.

Mr Corkill: I would thank the hon. member for Michael, Mr Cannan, for reiterating his support and the fact that in a number of reciprocal situations with the United Kingdom we do in

fact have legislation which is drafted in their terminology and we decide here to apply it to the Island.

It seems strange that the UK lottery is not acceptable to the hon. member but the Irish lottery might be.

The Speaker: Hon. members, the motion is that clause 3 stand part of the National Lottery Bill. Will those in favour please say aye; against, no. The ayes have it. The ayes have it. We take clause 4, sir.

Mr Corkill: Mr Speaker, clause 4 is the final clause and provides the short title. It also enables different provisions of the Bill to come into operation on such day as may be appointed by the Treasury by appointed day orders. I beg to move that clause 4 stand part of this Bill.

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

Mr Karran: Vainstyr Loayreyder, I feel that it is important again that I think that you undermine the credibility of this government that is elected by the Manx people when you have an Act that is going to be cited as the National Lottery Act 1999. In my opinion you are incorporating a United Kingdom National Lottery, it is not a Manx national lottery, and I think about the identity. that is the issue that is in front of us today.

This is a National Lottery. The difference with football pools is that it is not a national football pools and I feel with the fact that we are in the position we are in at the moment it is ill-timed and we should be not looking at this at the present time.

I also feel disappointed that we were not looking at other options as far as the National Lottery is concerned. I think we have taken the easy option out today in just following the UK.

The Speaker: Do you wish to respond, hon. minister?

Mr Corkill: Mr Speaker, the hon. member refers to other options. Treasury did look at a number of other options, some from private individuals, some from local companies, and they were very similar and comparable to the existing lottery that we had at that time. Therefore the decision was made some time ago to negotiate on this particular way forward.

I understand the hon. member's concern and comment about national identity and I would say to this hon. House that this National Lottery Bill today is a decision that we are privileged to take but as a side issue applies a UK lottery, and that is a decision for us to take but it is our national decision and I stand by that.

Messrs Gilbey and Cannan: Hear, hear.

The Speaker: Hon. members, the motion is that clause 4 stand part of the Bill. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

William Farrant – Portrait

The Speaker: Hon. members, that concludes the order paper but in the late 1800s a former member, William Farrant, served the House for 22¹/₂ years, first as a member of the self-elected House and subsequently he was returned for Douglas and Glenfaba and *Moore's Manx Worthies* refer to him as 'the foremost debater in the House with few equals as a fluent speaker and a man with a deep and abiding love for his native land'.

His widow presented a portrait of him to Speaker Maitland in 1913 and it was placed in the Speaker's Room. It was subsequently returned to the Farrant family for safekeeping during renovations. Mr Farrant's grandson, Mr Peter Farrant, has expressed a wish that the portrait should return to the House. I have therefore, hon. members, arranged for the collection of the portrait and Mr Peter Farrant will attend my room at 2 o'clock this afternoon to formally return the portrait to our safekeeping and, hon. members, those of you that are available would be welcome to attend at 2 o'clock.

Procedural

The Speaker: Now, hon. members, I am very well aware that we would appear to have a short agenda for next week and I understand that there are possibly a number of members who will be leaving the Island later on Tuesday afternoon. With your agreement, therefore, I would suggest that we sit morning only next week. Is that agreed, hon. members?

Members: Agreed.

The Speaker: In that case, hon. members, with the conclusion of our business, the House will now stand adjourned until Tuesday next at 10 a.m. in our own chamber.

The House adjourned at 11.58 a.m.