

**REPORT OF PROCEEDINGS OF  
LEGISLATIVE COUNCIL**

**Douglas, Tuesday, 9th November 1999  
at 10.30 a.m.**

Present:

The President (the Hon Sir Charles Kerruish OBE LLD (hc) CP), the Lord Bishop (the Rt Rev Noël Debroy Jones), the Attorney-General (Mr W J H Corlett QC), Hon C M Christian, Messrs E A Crowe, D F K Delaney E G Lowey, Dr E J Mann, Messrs J N Radcliffe and G H Waft, with Mr T A Bawden, Clerk of the Council.

*The Lord Bishop took the prayers.*

**Apologies for Absence**

**The President:** Hon. members, we have apologies for absence from the hon. Mr Kniveton who continues to make a good recovery from his recent illness.

**Reserve Fund – Self-Government – Question by Mr Waft**

**The President:** Turning now to the order paper, we turn to questions and for the first question I call upon the hon. Mr Waft.

**Mr Waft:** Mr President, I beg to ask a member of the Council of Ministers:

*What steps will be taken to achieve the stated objective of more self-government of this Island once a reserve fund of half the government's annual gross expenditure has been reached?*

**The President:** The hon. Mrs Christian to reply.

**Mrs Christian:** Mr President, the pursuit of more self-government for the Island and increasing the reserve fund to half the government's annual gross expenditure are separate objectives and are not directly linked. One is not dependent upon the other.

**The President:** A supplementary?

**Mr Waft:** Thank you, Mr President. So what steps, through you Mr President, will the Council of Ministers be taking to achieve more independence?

**Mrs Christian:** Mr President, the pursuit of greater self-government is a long-standing policy objective. The scope for further advance is being monitored and looked at by two committees, I would suggest, the Constitutional and External Relations Committee of the Council of Ministers and the Tynwald Standing Committee on Constitutional Matters. It is not possible at this stage to predict what the conclusions of either body will be.

**Mr Waft:** Mr President, is there any timescale envisaged for this? What would be the first steps to be taken?

**Mrs Christian:** Not to my knowledge, Mr President, no.

**Mr Lowey:** Could I say I am a bit surprised with the minister's reply in saying they are not linked. I always thought it was a prerequisite for the reserve fund to reach before we would be able to. That was always the message that came out. Why the change now?

**Mrs Christian:** Mr President, I have not said that one was not a prerequisite. Certainly if independence should be pursued it would be determined on the basis of a number of considerations, one of which would be the financial position of the Island at the time, but to suggest that reaching a particular point with reserves would trigger an immediate response in terms of further constitutional change is what I was trying to express, that they are not directly linked. Clearly, having adequate reserves assists in that process but it is not necessary that it triggers some change at that point. Indeed it was not necessary for the Island to reach such a position in terms of financial reserves in order for some steps to be taken. It was prudent to do so, I would agree.

**Mr Radcliffe:** Mr President, would the hon. minister agree that talk about 50 per cent of requirement in the reserve fund is a moving feast all the time because the moneys which government spend rise every year and to achieve the target, reserves would have to rise at the same rate, and that is a well-nigh impossible task to achieve?

**Mrs Christian:** I accept what the hon. mover says, Mr President, in terms of the amount of government's expenditure increasing on a constant basis. However, to say that it is impossible to achieve I think is being slightly negative. Certainly great progress has been made since round about 1984, when there was precious little in the reserve fund, to the position today where there is £198.2 million, which is 89 per cent of the target figure. I appreciate what the hon. member says. In closing that final gap it is getting increasingly difficult if we are working on percentages all the time, but nevertheless a target it still remains.

**Mr Crowe:** Mr President, would the hon. minister agree that the Island's economic strength is linked to our constitutional ability to our own legislation and taxation?

**Mrs Christian:** Indeed, Mr President, the Island's strength has been built on its constitutional ability to arrange its own fiscal affairs.

**Mr Lowey:** A final supplementary. Would the minister not agree that no attempt has been made to take anything out of the reserve fund since it started to be built up since 1984 except for this year at our policy debate less than a month ago when the Treasury were actually signalling that the interest of the reserve fund, which usually goes back into the reserve fund, should be removed this year? Why the change now?

**Mrs Christian:** I am not in a position to answer on behalf of the Treasury, Mr President. I think the position probably is that one can see a way of using the reserve fund without diminishing it to too great an extent when to invest moneys in other ways might be more beneficial.

**Mr Waft:** So would the minister agree that despite the number of committees looking into the situation with regard to more self-government, there is nothing forthcoming from those committees?

**Mrs Christian:** Mr President, at this point there is no recommendation that I am aware of coming from either of those committees. I think it has to be recognised that over the past decade or so considerable strides have been taken in relation to self-government and perhaps we are almost at the position of reaching the final decision. That is a very major decision and the scope for change within the existing constitutional position is fairly limited at this stage.

**Work Permit Committee – Powers – Question by Mr Lowey**

**The President:** Question (2), the hon. Mr Lowey.

**Mr Lowey:** Thank you, Mr President. I beg leave to ask a member of the Council of Ministers:

*Is the Council of Ministers satisfied that the Work Permit Committee has enough powers to carry out its remit fairly and effectively?*

**The President:** The hon. Mrs Christian to reply.

**Mrs Christian:** Mr President, under the provisions of section 3(2) of the Government Departments Acts 1987 the Minister for Trade and Industry authorises the Work Permit Committee to exercise certain functions of his department contained in the Island's control of employment legislation.

The committee is authorised within its delegated areas of responsibility to exercise the statutory powers of the department in regard to work permit matters and it is considered that such powers are sufficient to enable the committee to carry out its remit fairly and effectively.

**Mr Lowey:** Could I ask a supplementary? In a time of full employment, the suggestion that we should get rid of the work permit seems to me the very time we should be making sure that it is enforced, and it is the only instrument we have of control and until something else is in its place would hope that the Council of Ministers would not deem it necessary or desirable to get rid of the Work Permit Committee.

**The President:** Have you a comment on that comment?

**Mrs Christian:** Mr President, I note the hon. member's opinion, I am not sure what the question was, but I am not aware that the Council of Ministers has any intention of removing the work permit legislation. That is an opinion expressed by another member of Tynwald.

In so far as the department has a flexibility to exempt certain categories of workers, I believe that that issue is being looked at, but that of course would not happen without Tynwald endorsement in any case.

**Mr Waft:** Mr President, is the minister able to define what is the legal position regarding the Work Permit Committee's request for police records from the applicant and their ability to obtain the same records from the police? I am referring of course to the Data Protection Act.

**Mrs Christian:** Mr President, the position is that applicants are required to state on their application forms any criminal records if they are seeking to have a work permit granted in the Island. The position at the moment is that there is a limited category of information which can be obtained via the UK police national computer. That limited amount of information is based on an agreement between the Secretary of State for the Home Office and the Chief Constable of the Isle of Man Constabulary. It falls into certain areas limited by codes of practice and guidelines.

The information which is readily acceptable in the Island is in relation to specific types of employment, for example employment which involves supervision of children or in relation to drugs, and apart from that there are limitations on what can be accessed because of the data protection regulations.

The prospect for improving on that situation depends on developments both in the United Kingdom and in the Isle of Man in relation to a criminal records agency being established.

**Mr Delaney:** Bearing in mind the answer that has been given by the minister, when do we expect that we will be able to find out who are the criminals, particularly in the area where they are dealing with funds, cash, et cetera, et cetera and where employers will rely on a certain amount of trust in their employees? It seems from the answer given, would the minister agree with me, that it is not until after they commit an offence that we will find out whether they have committed the offence previously?

**Mrs Christian:** Mr President, it is clear that if employees come from the UK there is a limit to how much it is possible to check whether the declarations on their application forms are honest or not. Clearly where it transpires after they have been given a work permit, if some information is obtained or it is established that they have not been honest, then they can be prosecuted and the work permit withdrawn. Now, that is something over which the Island has no control. It cannot dictate to the United Kingdom authorities how much information they will release from their records, their computer database.

As I have indicated, there may be a way forward in respect of the establishment of a criminal records agency in the UK and a similar agency in the Isle of Man. However, this very much again depends on the speed at which progress is made in the United Kingdom.

**Dr Mann:** The minister has dealt with UK residents but what happens in applicants coming from the Irish Republic?

**Mrs Christian:** I have no information, Mr President, as to whether we can access the Irish Republic's records. I imagine that similar data protection rules would be established, but I have to say I do not have the factual information with which to answer that question. I will endeavour to find out for the hon. member.

**Mr Waft:** Just on applications, Mr President, are you stating, minister, then that the Work Permit Committee do have the ability to access police records for all people or just for a certain selected group?

**Mrs Christian:** I am saying, Mr President, in respect of applicants from the United Kingdom the work permit people can access the UK records in respect of specific types of employment and I gave an indication of some of those types of employment such as supervision of young children, which would be one where we would be able to obtain information from the UK, but clearly it is not possible to get information from the UK in respect of every type of work permit application.

### **Domestic Heating Oil – Price – Question by Mr Lowey**

**The President:** Question (3).

**Mr Lowey:** Thank you, Mr President. I beg leave to ask a member of the Council of Ministers:

- (a) *Why is domestic heating oil so much dearer in the Isle of Man than in Northern Ireland;*
- (b) *how often does the Office of Fair Trading check the price comparisons of oil products; and*

(c) *is the Council of Ministers satisfied that competition operates in the Isle of Man in this sector?*

**The President:** The hon. minister to reply.

**Mrs Christian:** Mr President, the population of Northern Ireland is over 1<sup>1</sup>/<sub>2</sub> million people. With over a hundred different oil distributors competing for that market it would be unrealistic to make any meaningful comparison of our prices against a market of that size. The costs of maintaining an oil distribution depot in the Isle of Man will be similar to the costs in Northern Ireland, but clearly the throughput is much greater there and therefore the cost of handling each litre will be proportionately less in Northern Ireland. It is for this reason that price comparisons carried out by the Isle of Man Office of Fair Trading are made against areas that are similar to the Island, namely the Channel Islands of Jersey and Guernsey.

In respect of the second part of the question, price information from both islands is compared against our own local prices on a monthly basis and over the past 12 months the Isle of Man price has been up to 1 pence a litre cheaper than in Guernsey and is usually within 1 pence per litre of the price charged in Jersey when the value added tax of 5 per cent is taken into account.

In respect of part (c) of the question, if an oil consumer contacts each of the oil companies in the Island today and asks for a price for delivery of 900 litres of central heating oil they will receive three different prices for cash payments, different discounts for early settlement and different periods of credit. I would take this as an indication that competition is operating in this sector. This does not mean that additional competition from other energy suppliers would not benefit this sector, as was indicated by the introduction of natural gas to Northern Ireland which impacted on the price of oil, as the oil companies have had to fight for new as well as existing markets in that situation.

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

**Mr Lowey:** I am amazed at the minister's reaction that we cannot compare distribution costs of the Isle of Man with Northern Ireland when we compare other matters with the United Kingdom which is even a bigger area, but that is a comment.

Mr President, one can understand a certain amount of differential on the size but one can hardly ignore a third increase in the cost of fuel being sold less than 60 miles from where we are sitting today and to compare the prices with the Channel Islands, where the same two companies are in operation there, with the Isle of Man, does not seem to me to be comparing like with like, or it does compare monopoly with monopoly and therefore we are not getting a true reflection.

Having just come back from Birmingham, oil prices being sold to motor cars, which is slightly different to what I put in the question, will illustrate the point more forcibly. The dearest petrol in Birmingham that we saw was over 5p a litre cheaper than the Isle of Man, and if you count the millions of litres that are used on the Isle of Man in a year we are talking mega money and it is coming out of the pockets of consumers. Where is the Office of Fair Trading and why aren't they standing up for consumers?

**Mrs Christian:** Mr President, I think the Office of Fair Trading is carrying out what are realistic assessments against other places which have a similar structure to the Isle of Man.

The hon. member has indicated that in Birmingham he has seen a price which is considerably lower than here. I do not think it is realistic to compare the conurbation of Birmingham and its surrounding areas with a population of 70,000 on an offshore island. Even within the United Kingdom there are considerable variations in price, depending on where you are situated and the time at which the oil is purchased, because that varies on a day-to-day basis and is, I understand, reflected in the price to the consumer on a fairly volatile basis.

The Island, in the past, has had independent surveys carried out in respect of the prices of fuel in this Island and they did establish that there was no evidence of excessive pricing when comparisons were made with equivalent areas in and around the British Isles. In fact less than five years ago, and again the hon. member may consider that five years is too long a gap, Tynwald did have a commission of inquiry to investigate the price of petrol and diesel fuels. I accede to the fact that that is not the same as central heating, but they did conclude that the cost of distribution of petrol and diesel on the Island is in our opinion disproportionately higher than that of the United Kingdom, and I presume the distribution costs could reasonably be assumed to be higher for central heating oils also in an island of this size.

I believe that the Office of Fair Trading is making reasonable comparisons with comparative areas.

**Mr Delaney:** As the member is aware, crude oils are based on the spot market, namely from Rotterdam, and are based on the dollar purchase. Can the minister ask, in relation to this question, that once again, as was done several years ago, the spot market be compared against what is being charged when the fuel oils arrive here and arrive in other places? Because as the pound is so strong, the purchase price from the fuel companies has been a glorious goldmine and yet it is never reflected in the price of fuels on this Island.

**Mrs Christian:** Mr President, my information is that the retail prices offered by most oil companies in the market change every day. They are based on the Platt price, which is essentially the current market price based on spot prices, as the hon. member has said. The oil companies then add a predetermined amount to cover overheads to that Platt price and arrive at their retail price. This is why each company on the Isle of Man charges a different amount per litre.

**Mr Lowey:** Would the minister not agree that there is something wrong if I quote her two sets of figures? One is 18.93 a unit, which is a litre, and 5 per cent discount if you pay within 24 hours. The other is 12.16 per litre, three weeks to pay and 10 per cent discount. How does 10 per cent and 5 per cent and three weeks and one day have anything to do with distribution costs?

**Mrs Christian:** Mr President, I presume the hon. member is quoting from two suppliers in the Isle of Man.

**Mr Lowey:** One from the Isle of Man and one from. . .

**Mrs Christian:** Right, well I think that there the comparisons will depend on the quantity of oil being provided by any distributor. It is bound to have a consequence in terms of the scale of the operation.

**Mr Lowey:** As much as that?

**Mrs Christian:** Well, Mr President, the hon. member says, 'As much as that?' I am not the expert in prices. I am merely quoting what the Office of Fair Trading has investigated and giving the reasons why they believe there is a competitive market in the Island. (*Dr Mann interjecting*)

**Mr Delaney:** Mr President, can I ask the hon. minister to try and get a situation arisen in the Isle of Man where the Isle of Man people are treated like for like, particularly on the settlement date of their accounts so they may get the benefit of holding on to their money for an extra couple of weeks rather than having to pay for a small discount within 24 hours?

**Mrs Christian:** Mr President, I can refer the hon. member's remarks to the Office of Fair Trading but I would suggest that it is probably a matter of commercial competitiveness what sort of discounts are offered by the individual companies.

### **Employers – DTI Financial Assistance – Question by Mr Lowey**

**The President:** Question (4), the hon. Mr Lowey.

**Mr Lowey:** Thank you, Mr President. I beg leave to ask a member of the Council of Ministers:

- (a) *Is the Council of Ministers satisfied that some employers, directly supported by the Department of Trade and Industry, are paying their employees £60-£70 per week; and, if not,*
- (b) *what steps are being taken to remedy this situation?*

**The President:** The hon. Mrs Christian to reply.

**Mrs Christian:** Mr President, the Department of Trade and Industry provides financial assistance to companies in various sectors of the local economy in connection with various initiatives including training.

There are currently approximately 320 individuals undertaking training within the terms of a formal training agreement between themselves and employer and the department. This type of formal training agreement constitutes in most sectors a form of apprenticeship.

This traditional system recognises that in many sectors of business and industry the early years of employment are mainly concerned with training which may be on or off the job. Where such an agreement is in place, the employer can receive financial support from the department under the Craft and Technician Training Scheme (Manufacturing, Construction and Service Industries) 1995.

The level of payments to trainees varies between sectors and between individual trades within a sector. Some sectors, for example the construction-related trades, have national pay agreements to cover trainees. Within the construction industry the rate for a first-year plumber is set at £117 per week, whereas that for a first-year electrician is £91.65 per week. For all other trades in the construction industry the current rate for a first-year trainee is £66 per week.

The department meets with employer organisations to review these agreements and requests that all employers supported under the craft and technician training scheme pay the agreed minimum weekly amount which, where appropriate, will be in accordance with national

agreements. In the absence of any national agreement, the minimum is as for the other construction trades, which is also the national insurance employees contribution threshold, currently £66 a week.

The scheme under which these rates are set has been in operation for nearly four years now, having been moved in Tynwald for approval by the hon. member and as such it has the support of the Council of Ministers.

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

**Mr Lowey:** Would the minister not agree that it is not the formal apprenticeship schemes that are giving me concern, it is the new sunrise industries, the film industry, animation in particular, where there is no recognised apprenticeship but they are told that if they work for three months they may consider a rise, and that is what is being supported by the Trade and Industry and is nothing to do with the answer that the minister has given to me, and the one that I find greatly disturbing is people of 25, not youngsters going into accepted apprenticeships, and therefore I believe that it is a scandal that people are being asked to live on £60-£70 a week for some form of alleged training.

**Mrs Christian:** Mr President, the hon. member has alluded to a particular employer. I am not aware of whether or not the persons about whom he speaks are employed under the craft and technician training scheme. If they are, then they would be subject to the minimum for other trades which was the £66 a week. If they are not employed under that scheme one wonders why they stay in that workplace when there are so many job opportunities available in the Island. One can only assume that they want to work in that particular job and are prepared to accept those sorts of levels of pay. However, if there is a concern that those employers are somehow being funded by a department of this government and are paying those low wages, I will undertake to raise that with the Department of Trade and Industry, but it still begs the question as to why anybody would stay in such employment when there are hundreds of jobs available in the Island which would clearly pay better than that.

#### **Isle of Man Government Training Centre, Hills Meadow – Question by Mr Lowey**

**The President:** Question (5) hon. members, the hon. Mr Lowey.

**Mr Lowey:** Thank you, Mr President. I beg leave to ask a member of the Council of Ministers:

- (a) *What is the current number of trainees at the Isle of Man Government Training Centre, Hills Meadow;*
- (b) *is there a waiting-list and, if so, what steps are being taken to resolve the position; and*
- (c) *in each of the last three years -*
  - (i) *how many people have availed themselves of training/retraining at the centre and*
  - (ii) *how many staff are/have been employed at the centre?*

**The President:** The hon. Mrs Christian to reply.

**Mrs Christian:** Mr President, I am advised that the number of individuals currently attending the training centre at Hills Meadow is about 115 a week.

Other than in respect of short courses which are only run when a minimum number of delegates have registered, there is a waiting-list only for the office technology course. This 12-week full-time course has traditionally been oversubscribed, as it is widely recognised as providing skills that will enable trainees to obtain immediate relevant employment. Records show that over 90 per cent of trainees completing the course have entered employment straightaway.

In 1990 the office technology facility at Hills Meadow accommodated 12 trainees. In response to demand this was increased to 16 in 1996, 24 in 1997 and 32 in 1998, which is the present capacity. The limiting factors on providing more places are the physical limits of the building with regard to the number of work stations that can be accommodated in the available space, the available funding for such schemes and the instructional staff resources.

In response to the third part of the hon. member's question, the numbers of individuals who have attended the training centre for training in the past three years are: 1997, 692; 1998, 979; 1999, thus far 650. The number of staff employed at the training centre in the same periods were: 1997, 25; 1998, 25; 1999, 26.

**Mr Lowey:** I thank the hon. member for her reply, sir.

**Mr Delaney:** Can I ask a supplementary?

**The President:** Certainly, sir.

**Mr Delaney:** Of the 115 people undergoing training, how many, if they enter employment once they leave there, require work permits?

**Mrs Christian:** I have no idea, Mr President.

**Mr Delaney:** Will you find out and let me know and the members know, please?

**Mrs Christian:** Mr President, it is 115 per week. I am not sure whether such information would be recorded at the training centre but if it is available I will ask them to supply it to the hon. member.

**Mr Crowe:** Mr President, could I ask a supplementary? Are the people retraining on the office technology course getting any government assistance or are they funding themselves?

**Mrs Christian:** Mr President, they are assisted.

### **Mobile Classrooms – Planning – Question by Mr Waft**

**The President:** Hon. members, we move on to item (6).

**Mr Waft:** Thank you, Mr President. I beg to ask a member of the Department of Education:

- (a) *When do you expect to dispense with the need for mobile classrooms; and*
- (b) *what closer relationships do you intend to have with the Planning Committee and developers to plan for future educational needs of the Island?*

**The President:** The hon. Dr Mann to reply.

**Dr Mann:** Thank you, Mr President. Whilst the absence of mobile classrooms might appear attractive, to achieve this at present, with a growing population of schoolchildren which has increased from 10,400 in 1994 to 11,400 in 1999, would require the immediate provision of over three additional one-form entry primary schools or their equivalent in different parts of the Island, to replace the 23 mobile classrooms and to add the equivalent of a further 40 classrooms, 15 per cent of the current total, the equivalent of a further six one-form entry primary schools to guard against future rises in population.

The estimated cost of such a strategy would be in the region of £28 million. The department would be delighted to be allowed and enabled to do this but with the current restrictions on government's capital programme the likelihood of it is remote.

It is worth noting that the department has needed its mobile classrooms since the early 1970s when they were bought originally. There are two reasons for this: (1) the department have not been able to build sufficient new schools and extensions to existing ones over the last 25 years to match the increases in population; and (2) the school premises are used as efficiently as possible and on average are within 2.5 per cent occupancy of their assessed capacities.

The second part of the question - the department already has excellent working relationships with the planning section of the Department of Local Government and the Environment and this will continue. If the hon. member is dissatisfied with the extent to which my department plans for future educational building provision he has only to look at the Department of Education's capital programme for the next five years to see that there is no shortage of identified needs but a shortage of capital funding to implement the schemes as quickly as they are needed.

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

**Mr Waft:** Will the member agree with me that the need for future housing has direct consequences on the educational facilities required, and would he agree with me that the Planning Committee are well aware of the situation and, more importantly, the planning inspectors who come from the UK and make decisions with regard to the demographic changes on the Island should take more cognisance of the educational facilities required in that area? Apart from the sewerage facilities the educational facilities are of the utmost importance and not leave back to the UK and let the people of the Isle of Man to get on with it and having to provide this accommodation of mobile classrooms. Would the member agree with me that this needs to be taken more fully into consideration by those planning inspectors?

**Dr Mann:** Those are interesting comments from the hon. member. He may be aware that in one or two recent developments there has been a slowing-up of new construction which has been taken into account by planning inspectors to ensure that school provision is made in time for the construction of new housing projects. Unfortunately, it does not follow as easily as that and the responsibility of the department is not to influence planning decisions but its duty is to provide a facility when the houses are produced, when the houses are built. Now, there must be a rationalisation between the two and certainly the department has an excellent working relationship with the planning department, but having said that of course, we all know that just because the planners decide that a certain area can be developed, when it is developed will be dependent on when somebody can buy the land to initiate the provision.

**Mr Waft:** I thank the member for his reply.

### **Constitution Bill – Introduction – Motion Carried**

**The President:** Hon. members, that concludes our scrutiny of the question paper and we move on to item 2 on the agenda. I call upon the hon. Mr Lowey to address the resolution standing in his name.

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

*That, in accordance with the decision of the Council taken in committee in private on 2nd November 1999, a Bill to make new provision for the constitution of the Legislative Council be introduced into the Council forthwith.*

Hon. members, I formally move that, the Constitution Bill 1999, that we do formally introduce it and quickly. This particular Bill has been addressed by the Council and the need for it is in the light of certain changes that are proposed elsewhere.

Our Bill, I would suggest to the Council, is superior in three or four areas. Firstly, it is short, it is direct and it will be effective. It will have the minimum of disruption and deserves support on those grounds alone.

If I may deal with the contents of the Bill and deal with some of the issues, not in any particular order, but deal with direct elections, the proposals in the Bill will introduce direct elections to this Council. We spell out in the Bill a formula based on existing constituencies encouraging and incorporating a regional basis and there are many advantages in this and they include that there would be no major restructuring of existing constituencies, where I believe the proposals in another place would run into serious troubles if they attempt to restructure into 32 single seats. It would give continuity because our proposals could take account of mid-term elections, so the Keys would not be elected at the same time as the new proposed senate or the Legislative Council.

Now, I think we ought to say at this time too that we recognise the special historical position of the Lord Bishop and we believe it would be no advantage to the new chamber to remove his presence, voice and counsel. We do believe that historically the Bishop has a role to play and we can foresee that into the future.

We also believe that we should change the name of the Legislative Council, not so much for internal use but for external use, and to use the Manx term yn Shennad, which is the Manx for the Senate. People outside tend to believe, when you talk about the Legislative Council, it has overtones of what I would call the imperial past and you do have to spend some time explaining what the Legislative Council is to people off the Island. Having said that, I think you sometimes have to educate people at home what the Council and Tynwald and the Keys understand of our legislative body. For example, this morning on the news on the Manx national radio station they announced to the world that Tynwald had agreed constitutional changes last month. Of course Tynwald did nothing of the sort. It was the House of Keys that actually approved a committee report to change the constitution of the Legislative Council. So who can blame people externally if internally our own news media cannot get the distinction right?

I believe the changes we are recommending in this Bill could mean a more vigorous and healthy interest in politics. It will mean people believing that they are more enfranchised and

involved and if that is the outcome, then it must be good for the aims of the Island and the aims and the ideals that I have just outlined.

Far from being a delaying tactic that I have seen alluded to in the local press, this Bill will be a fast track to change. Far from being a vehicle for conflict with another place, namely the Keys, this Bill could be a catalyst for co-operation in enhancing our reputation for doing the right thing for the right reasons at the right time.

The Legislative Council has a distinguished history and a proud record of service for the good governance of the Isle of Man. It has welcomed and embraced change when the time and content was right and in your term and mine we have witnessed the removal of the deemsters from this august body, the cancellation of the right of the Lieutenant-Governor to appoint members to this body, the removal eventually of the Governor presiding over Tynwald and this body, and the election of you, sir, as our presiding officer.

The myth the Council is moribund and suspicious of change does not stand elementary scrutiny. This Bill is all the more effective for being short and concise. It does the business and deserves support. It is my pleasure to move that the resolution standing in my name be approved by the Council.

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

**Mrs Christian:** Mr President, I too would endorse the motion before us today. The hon. member has referred to the long tradition of the Council and the fact that it has evolved and changed over the years. Clearly the vote in another place is in favour of this body being directly elected by the people, and one can only assume that they are reflecting the views of the public at large. I do not think any member in this Council objects to that principle. Indeed the way in which the Council has been elected in the past by members in another place has really brought that process into question. In fact I think it has diminished the Council in the view of many people outside, if not diminished the other place in the eyes of many people in the outside, with the approach they have taken to actually electing people to this chamber and has in fact, I would suggest, reduced the willingness of people to make themselves available to be elected to this particular chamber, and so to that extent I think to move to the electorate is an appropriate thing for us to be doing, notwithstanding comments about turkeys and Christmas in the media and so on.

I think it will certainly legitimise the members of this Council as having the backing of the population in this Island. That is something we are frequently taunted with by members in another place and I think if we can remove the dog-in-the-manger approach by going to the electorate, then that will be good both for the strengths of this particular body and for Tynwald in general.

The proposal that we are going to put forward I think represents a more gradual evolutionary change than the proposals from another place. The hon. member Mr Lowey has alluded to the difficulties which would be experienced in trying to define new boundaries for new constituencies and I do not think that that should be minimised. If we are to seek change at all within a reasonable timeframe, I believe that this is a more appropriate and acceptable vehicle than seeking to overthrow the boundaries. We know from experience how difficult it is to get any agreement at all on any sort of boundary change and to go wholesale into a new structure for Tynwald I think will result in the same sort of scenario as we have had with

boundary changes or even suggestions for changes in local authority structure: it will be very difficult to get any kind of unanimity as to how that may be achieved. This proposal has the benefit of recognising existing constituency boundaries. To that extent it presents with a more readily packaged proposal than any major changes proposed in another place.

The question of the name I think is a significant one. Clearly there are difficulties in the population in distinguishing between the different councils which are about, in particular between the Council of Ministers and the Legislative Council where one frequently abbreviates reference to 'the Council', depending on the context in which you are speaking, and so I think to have a distinctive title for this chamber would eliminate the confusion which perhaps exists at the moment. It would also eliminate the matter which irritates me in that this Council is sometimes referred to as 'the Legislative'. I keep asking myself 'The Legislative what?' But it is an irritation that the Council sometimes does not get its correct name.

The Island has prided itself on the fact that it offers people investing here and in the economy a stability, which is very important, I think. The proposals in the new Bill will offer an element of continuity in government in that it is proposed that the elections for this branch be staggered with those of the House of Keys. We have seen in the past fairly considerable change in the House of Keys, in another place, at election time and I think it is important that we aim to keep some element of stability by having a continuity of some Tynwald members by staggering the elections.

There is another feature of the Bill and that is that I believe that if the members of this Council are elected by wider public franchise, then there should be no distinction made within the body at Tynwald between members of the two branches. It should give any future Chief Minister a wider choice of team for various elements of the government and it should take away the bickering about what are defined by some members as 'non-elected members' being part of that team. I think that that will be a beneficial move. I have long held the view that if members are of the view that Legislative Council members should not be a part of that team, then the way to go about things is to change the rules, not simply to bicker about them. This gives us a mechanism for bringing about that kind of change.

The Bill does provide that we retain the positions of the Attorney-General and the Lord Bishop and I think that there are very strong historical reasons for that.

It does not set about wholesale change at this stage, it merely gives the Council the opportunity to be popularly elected and I think that it should be welcomed, not only here but in another place too, as representing a positive mechanism for change, not to be seen as somehow flying in the face of members in another place, but as a constructive proposal which has been considered here and I hope will be considered in a reasonable way by other members of Tynwald so that we can at least present them with a measure which can make progress, I believe, in a much more speedy manner than anything which might be forthcoming from a report in another place. It is to be welcomed, Mr President.

**Mr Crowe:** Mr President, whilst accepting our commitment to change, we should not overlook the clear fact that the present system of voting has worked well, especially as it has given continuity and stability over many years. It is also clear that you cannot change something that works unless you know broadly what is proposed to go in its place. However, if

changes are to be made to the way in which the members of this House are elected, it is better that we institute that change.

This Bill will achieve the desired result of having members elected by the people and the proposal to have regional representation is one I agree with.

I also believe that having separate elections at a time other than House of Keys general elections will continue to give the continuity and stability that the Island presently enjoys.

I will be supporting the Bill. Thank you, Mr President.

**Mr Delaney:** Mr President, I take up the theme that was introduced into this by Mr Lowey. It is the idea that has been put abroad by the media, which itself is self-serving to some extent, that somehow this is a delaying tactic. If you send a messenger on a long road it is going to take him a long time. If the person who is going to receive the message starts travelling towards him it will reduce the time, and that is exactly what we are doing. We are going there, instead of delaying, which could be done if the Bill from downstairs got here and then we held it up; that would be delaying. So I think we are taking the sensible course. There is a mood of change down in the other place. There is a mood of change here now, as this Bill actually shows, and I think we are taking the right steps to reduce the length of time and the frustration that some members of the public and their representatives in the other place may feel.

The one thing that is going to cause some trouble, and it is better to highlight it now, is going to be the row that will develop between those elected in the other place and those elected here, if that is what they wanted, about the size of constituencies, but as far as I am concerned that is a trivial matter and is only for those self-seekers who want power and unfortunately politics is the pursuit of power, in some cases. I believe it is something that can be sorted out and that the conditions that are laid down for the performance of this Council-cum-Senate when it is established will be important and I hope that when we get to discussing this it will not be those who say they have a bigger ball than we have to play with, but their ball is being kicked about by everyone on the Isle of Man for their enjoyment and their benefit.

I think that the issue of who rules only has one answer, the people rule, and I believe this Bill will bring us to the people and the people to us, and I think the confusion there has been in the past has certainly been by the tradition of the establishment of this Council as it was established. I think people outside certainly are confusing us, even after all the years of representation by the members here, between Douglas Town Council, the Employment Council and every other council and, I have never understood why they have never called us councillors, but what they can call us in the future is a democratically elected body who are looking after the interests of the public, and that is the major issue for both us and the other place, the representation of the people, and I cannot agree with everything in this Bill, but the part that we are democratically elected by the public, by the people who follow us here, I believe is important and will give this Island a lot of credibility and do a lot of good in the future both here and in the wider world which is becoming closer to us every day.

I think people in Europe, where we are going to be dealing in the future, will understand, as they have in Ireland, that a senator is a senator and the fact that the Irish and us will have a Gaelic, Celtic name for internal use will not be a confusion to anybody.

I think it is a step in the right direction, as I did years ago, Mr President, in your very position, when I could not accept that the leader of this particular hon. body was called 'The President'. I did say at that time that will be needed in the future and I am pleased to say in Tynwald it was needed in the future with your position, sir. I think this Bill is similar. I think it will give credibility and credence to the Isle of Man people and it will also serve us well with the rest of the world.

I am waiting with great interest, as everyone here is, and the general public and probably the media, who have already made up their minds, to see what the outcome will be, but the outcome should only be one thing: the representation of the people.

**Dr Mann:** Mr President, first of all I certainly will support the proposal here this morning. I think the emphasis is on the way in which we are accepting what the people in the House of Keys have indicated as a basic necessity, that is, that the members in this Council are now directly elected by the people. There is no conflict on this issue at all between the two branches. I think that is the most important single thing to get over to the public and to the media. The fact that there is no conflict on the basic assumption means that the moving of this Bill does not initiate conflict either. It accepts a situation that has been accepted in another place. There is, it is true, a difference between the branches in the way in which those elections should take place. That is almost inevitable and eventually will have to be reconciled.

The one thing that is not happening in this proposal is that this Council is not demanding any further power. All it is demanding, if you say 'demand', or requiring is that we have the power that exists at this particular moment. So we are not going to another place in an aggressive mood to say, 'We are going to be elected and now we are more important and have greater power.' We are just saying that this branch will continue with the power that it has at this moment with the additional authority that members would be elected directly by the public. If it is seen in that light, then we are not going to see a constitutional battle between the branches. We are ultimately going to see a reconciliation of how these elections will take place.

Although it would be really almost constitutionally incorrect for me to refer to the proposals in another place, I have to say that I originally - and I have been involved in many previous select committees on these issues - have been in favour of the proposals that have been put forward by the Keys themselves, mainly because it appeared to be a Norse solution in as much as it had been a solution in Iceland, it had been a solution in Norway, and with the Norse heritage of Tynwald here it naturally was something that appealed to me as a member of Tynwald. I have to admit, though, that both Iceland and Norway, have discarded that system as unworkable and so I support the proposals within this Bill mainly because I think they are workable and that the current proposals before the Keys have been shown in other jurisdictions to be not workable within the true Norse context. It is unfortunate but it is a fact of life that those proposals as they exist at the moment have been shown to be not workable.

So I think we start with a proposal in another place, a proposal from here. As we progress I am sure that the Keys will progress in their proposal and somewhere along the line there will be a reconciliation of the way forward.

The one thing that is common to both is the fact that we are now seeking direct election of the members of this branch and I most certainly fully support the proposals here today.

**Mr Radcliffe:** I too fully support this Bill. There has been, I think, over the immediate past few years a lot of misinformation, misapprehension, call it what you like, put in people's minds as to what the role of this Council is, and the various disparaging columns in the media would suggest that this Council is virtually nothing, but it certainly has a place and a part to play. I think that the majority of the populace of the Island will be happy to support us in this move for election to the Council.

Certainly it should be renamed. There is, as hon. members have said, a lot of confusion in people's minds, as to what the Council really is - is it just an offshoot of the Council of Ministers, is it an offshoot of Douglas Town Council or whatever - but a new title such as Senate, I think, would certainly clear that confusion in people's minds both on and off the Island. I think particularly people off the Island are very vague as to what the Legislative Council's role in life is.

What I would hope is that as a result of election by the people, albeit in larger areas covering one or two sheadings, three sheadings indeed, this will not lead eventually to a confrontation with the other place (**Mr Delaney:** Hear, hear.) because I think it is fair to say that our successors in some instances perhaps may have in this Council personal power ambitions, but what must be remembered, I think, at all times is that one of our strong points wherever we go to sell our goods and services is the stability and continuity of government on the Island. That is one of our strongest points and I would hope that whatever happens in the future we will not get continual confrontation with the members of another place as to who should do this or be that or whatever. But I do strongly support the Bill, Mr President.

**Mr Waft:** As far as I am concerned, Mr President, this Bill sets out to find a way forward for the future of the Island with regard to legislation. This Bill does restrict the powers of the Legislative Council to remain the same. There is nothing in there to exceed the powers that the Legislative Council has at the moment and the Senate would be restricted to exactly the same powers. The problem has been that despite the fact that we will be elected by the people of the Island we would have one eighth of the vote rather than one twenty-fourth of the vote and that would naturally cause people to assume there would be more power invested in the Senate, but this is not the case with this Bill. This Bill sets out to lay exactly the same powers down. There is nothing in there at all to say how the Senate will proceed in the future.

As I said before, the Bill does hopefully find a way forward. There is a lot of water to go under the bridge in the future and all the problems with regard to boundaries and how many members to which boundary, and we have had problems over that in the past and I am sure we will with this Bill, but nevertheless it does set some ground rules, and to find ourselves with two committees of an enlarged group both having the same powers does set out for confrontation, but this Bill obviates the need for that. There will still be the same situation but the Senate will be elected by the people, and I would support that. Thank you, Mr President.

**The President:** May I call on the hon. member to reply?

**Mr Lowey:** Thank you, Mr President. Can I first of all thank hon. members for their contributions this morning and to say we have an opportunity to create a dynamic body which is relevant to today's conditions and forms part of a vibrant Tynwald that looks after the Island's population and future and to be a part of Tynwald that has the courage to face the opportunities and challenges of the forthcoming 21st century. Now, I believe this particular Bill

will contribute to all of that, and I think a dynamic Legislative Council working in full co-operation with the House of Keys can only be good for the Island. We could build on the successes that we have got and achieved so far. It would also create a partnership and an upper House with Members of the House of Keys that would be happy to belong, and I do think it is important that people should feel that there is a reason for being a member of government.

Now, I have to say to you that I have never felt superior since being elected to the House of Keys or to the Legislative Council, but then neither have I felt inferior after being elected to the Legislative Council. I do not think we are in it for egos and I cannot think of anybody that has occupied these chairs that has thought that. But there is a myth that somehow once you become a Member of the Legislative Council you are a has-been or you are a relic of the past. Now, I do not believe that to be so and I believe it is time to get rid of the myth. I think we have been guilty, if anything, of underselling ourselves, and for a very good reason: we do not believe in conflict, we believe in being effective and doing the job that we are here to do which is to review government, to hold the executive to account, and that will continue to be the role of the Legislative Council.

If I can briefly touch on what members said, I too endorse Mrs Christian's belief that a direct election is an important principle which is being produced and is propagated by the House of Keys by an overwhelming majority which says that it is people's wishes that it should be elected. We have accepted that.

We have only touched loosely today on the Bill and once the Bill is produced the details are all there. We spell out how we will achieve it in the Bill. It is an instrument to create constituencies without changing existing boundaries. I believe that is a big, big plus.

Whether we like it or not we have a timescale in the parliamentary calendar of electing members to the Legislative Council. This Bill does need a fair wind behind it. That is where I believe we can, if both sides are keen to achieve the three main objectives of this Bill which will be to have direct elections, to make sure it is based on a regional basis and to keep the status quo in the working relationship. It is here in this particular Bill, and so I welcome Mrs Christian's thoughtful contribution.

Mr Crowe said it all in two words, good governance, and that is what it is about. The machinery creates the climate for entrepreneurs to get out, work and for people to work and enjoy working and to provide for their families. It is good, sound governance. This Bill will help.

Mr Delaney - I could not agree more with Mr Delaney when he says this Bill should not be seen as a delaying tactic. The reverse: it could speed things up, it could be effective, it could meet the main requirements. Any polishing-up on it could be done later down the line.

Dr Mann is quite right and he is pragmatic as always and not afraid to change his mind when examining the evidence from the Nordic countries, that things that we held dear have been put in practice and have been changed because they have not been successful, and then I think we would be foolish to copy something which they have already changed, and he is pragmatic and I welcome that.

Mr Radcliffe could not say it more loudly. He uses one word and that is stability, and I, again like him, cannot, having been a former Minister for Trade and Industry, stress too

strongly the fact of stability as perceived outside. Sometimes I wonder, when we criticise on the margins - and I am the first to criticise, I may add - but by and large we must be doing something right some of the time to achieve the sort of record that the Isle of Man has got. The people of the Isle of Man ought to be proud of that and I believe the government of the Isle of Man has played its part and I believe the Legislative Council is an effective part of that government.

Mr Waft's contribution really underlined the effect that we are not seeking to extend our authority. We are saying that we are legitimising, if that is the right phrase, our position via the direct elections and we are saying at this moment in time we see our role as still overseeing the legislation and holding the executive to account. I think that is a proud position to adopt, and I welcome the members' contributions here this morning.

Mr President, with your and the Council's approval, I would like to move the Constitution Bill be introduced forthwith and to that extent I wonder if it would be possible, with your permission and the Council's permission, to get the Bill a first reading and on the road, to underline what we say in this resolution. We say to get the Constitution Bill going forthwith. Perhaps it would be advisable if we could have the first reading at a special meeting of the Council next week before Tynwald, to underline the urgency that we believe this particular matter deserves. Mr President, it is my pleasure to move.

**The President:** Hon. members, I will now put the resolution set out at item 2 on the agenda paper. Will those in favour of that resolution please say aye; against, no. The ayes have it. The ayes have it.

**Mr Delaney:** Could I ask about a matter of procedure, Mr President, now that the Bill has been put through? There is an item on the agenda, one of the first items, dealing with a continuation of the debate of a resolution moved by Mr Cannell, the hon. member for Onchan -

**The President:** Hon. members, I have this resolution, which has been approved by the Council.

**Mr Delaney:** That is why I was asking, Mr President.

**The President:** Right, well there is no further business in relation to that issue at this moment.

That concludes the business on the agenda paper and the Council will now sit in private.

*The Council sat in private.*