

**REPORT OF PROCEEDINGS OF
LEGISLATIVE COUNCIL**

**Douglas, Tuesday, 22nd February 2000
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 J R Kniveton, E G Lowey, Messrs J N Radcliffe and G H Waft, with Mr T A Bawden, Clerk of the Council.

The Lord Bishop took the prayers.

Welcome Back

The President: Hon. members, may I first of all express Council's delight in having Mr Lowey back with us again this morning.

Members: Hear, hear.

Apologies for Absence

The President: I also extend the apologies of Dr Mann for absence.

Promotion of the Island as a Tourist Destination – Internet – Question by Mr Crowe

The President: Now, hon. members, we turn to our agenda paper and item 1, a question, and I call upon the hon. member Mr Crowe to move.

Mr Crowe: Mr President, I beg leave to ask a member of the Department of Tourism and Leisure:

What initiatives are being taken to promote the Isle of Man as a tourist destination through the internet?

The President: The hon. Mr Delaney, of the Department of Tourism and Leisure, to reply.

Mr Delaney: Thank you, Mr President. I first of all would like to say how pleased I am that this question has been placed down, as my department has had a presence on the internet promoting the Isle of Man as a tourist destination for over two years. The web address is widely publicised throughout advertising and the department's guide. The site is actively utilised to encourage visitors in a number of ways, which include an attractive accommodation database which enables prospective visitors to search for suitable accommodation; an events database to enable visitors to research details of a wide range of special events here on the Island; a tour operator and carrier section which provides contact details and links to operators with their own website, selling the Isle of Man product; a tourism news section containing press releases, special interest sections including golf, walking, game fishing et cetera.

With regard to the current developments, these include the provision of an on-line booking service through the department's internet accommodation database and a new research section for use by the industry.

Future developments will include a foreign language introduction to the Island in French and German and a further development of the official TT site. This is in addition to working closely with carriers to promote an on-line booking system.

Finally, my department uses an e-mail to respond to enquiries for information, the volume of which has shown considerable growth for this facility and will also be utilised as a promotional tool in the future.

Mr President, just a point of interest for the members of the Council, during the month of December 1999 5,000 sessions were recorded on the tourism section of the government site and in January 2000 the number recorded was just short of 10,000. This amounts to a quarter of all the sessions recorded on the whole government site. Thank you, Mr President.

The President: A supplementary, sir?

Mr Crowe: Thank you, Mr President. Can I ask the hon. member Mr Delaney how much is being spent on the internet as an advertising medium compared to your other advertising costs for newspapers and journals? In addition, what proportion of tourists do you hope to attract by means of the internet compared to those visitors who may be targeted through advertising in other media?

Mr Delaney: Mr President, first can I say that on taking up the appointment, which I was very delighted to accept from my minister, and joining the department, it was obvious to me that the future of the Isle of Man and every tourist resort is going to be gained at some time in the future and access to that information will be necessary for selling tourism and with that in mind we all worked to get it established. The percentage of our budget which is spent on the internet, unfortunately - and I will say this immediately - is not enough in my opinion.

The President: Could you quote the question, sir, please?

Mr Delaney: We are at the moment spending something in the region of 8 per cent of our total budget on that.

Mr Crowe: Thank you, Mr President. A further supplementary.

The President: Certainly.

Mr Crowe: As booking holidays through the internet, and I appreciate everything Mr Delaney has said and the growth of using the internet, as the growth will increase over the next few years, do you envisage this would reduce your advertising costs through the traditional methods of newspapers or trade shows?

Mr Delaney: Probably, Mr President. The situation is, as the member will be aware, the guide is virtually self-financing, but the time will come when most enquiries for the Isle of Man will be done through the internet and make the guide virtually superfluous, but we still will need to advertise through advertising even to get people to visit the net site, so hopefully it will reduce it, but there is no guarantee at this moment in time.

Mr Crowe: Mr President, one further supplementary, a final supplementary. You mention the tourist guide, Mr Delaney. Can this be ordered through the internet?

Mr Delaney: Mr President, all information appertaining to the Isle of Man can be gained through the internet, and that not only includes the tourist department guide but all information.

Mr Crowe: Thank you.

Employment (Sex Discrimination) Bill – First Reading Approved

The President: Hon. members, we move on to item 2 on the order paper and I call upon the hon. Mr Delaney to take the first reading of the Employment (Sex Discrimination) Bill.

Mr Delaney: Thank you, Mr President. In moving this first reading of the Employment (Sex Discrimination) Bill I would like to mention very briefly both the purpose and history of this effort to bring this part of the Island's employment law up to date.

The origin of this Bill goes back to a report produced in 1991 by the Social Issues Committee entitled 'Sexual Equality in Employment'. This report, which was endorsed firstly by the Council of Ministers and subsequently approved by Tynwald, made a powerful case for the introduction of legislation which would address discrimination on the ground of sex in the field of employment.

The purpose of the Bill before you is to implement the recommendations within that report and that legislation aimed at outlawing any discrimination between men and women in relation to employment should be prepared and introduced. This legislation should be based on the employment aspects of the United Kingdom Sex Discrimination and Equal Pay Acts.

The Bill and the period leading up to its publication has already created a great deal of public debate and in my opinion there is little, if anything, to be achieved by repeating or adding to what has already been said beyond that is really necessary. In my view the Bill's mover in the House of Keys had the good sense to realise that the Island had to start somewhere and that priorities were put in place without further delay, a sound foundation which could then be built upon in the future to develop a comprehensive framework of anti-discrimination legislation appropriate to the Island's needs.

The Bill is not intended to be the final word on discrimination in employment and the Department of Trade and Industry is working on the second Employment Discrimination Bill which will build on and complement the sex discrimination Bill before members now by addressing discrimination on grounds other than those contained within the department's original brief.

The present Bill was introduced into the House of Keys towards the end of last year with the exception of the addition of a new clause which will amend the insolvency provisions within the Employment Act of 1991 and which is not concerned with the subject matter proper of the Bill itself. All the other clauses of the Bill were unchanged when the Bill received its third reading without a division in January.

I believe that this Bill represents a major advance in the Island's employment law and will in time lead to a fuller utilisation of the talents and resources of all the people of the Isle of Man.

Mr President, I move that the Employment (Sex Discrimination) Bill be read a first time.

Mr Kniveton: I beg to second, sir.

Mrs Christian: Mr President, this Bill is to be welcomed. It has taken some time to get it to this stage and I do acknowledge what the hon. mover has said in terms of this being a first step. I think there was perhaps some criticism that this Bill did not deal with wider issues than

it does, but nevertheless I think it is appropriate that we are dealing with this as the first step and not holding this part up in order to develop further legislation.

So it is to be welcomed. It is going to take, I think, on the part of many people in our community an attitudinal change - advertising for tea ladies and such like will have to be thought about in the future - and you cannot bring about change necessarily simply by introducing statute law, but it does perhaps underpin the attitudinal changes that may need to occur in some areas. I welcome the Bill, Mr President.

Mr Lowey: Mr President, as long as the other steps do not take as long as the original step, that is the fear for me. Nearly 10 years to get the principle which was accepted does seem to me that vested interests can delay and prolong and procrastinate long enough to keep the thing going. I say that not with rancour, because when I became minister of the industry department the Bill was there. I had it before the Council of Ministers and agreed, then I left the department and it has taken another four years of consultation. Well, consultation is fine, but at the end of the day, if you have already accepted the principle it should have been just on the nuts and bolts and I do not believe that this particular Bill needed that much more consultation.

However, having said that, I welcome the Bill too as a first step as I see it, and I agree with Mrs Christian that it is about attitude and once this Bill is in and it is law I am convinced, like most other things in the Isle of Man, people will adapt to the law and they will wonder what all the fuss was about in the first place. There is a very, very, very small minority who openly practise overtly discrimination. Most of us practise it inadvertently in our everyday language and moves; we are all guilty of that. But the reality is once the tone has been set by government I am certain that people will comply and I think they will want to comply. I found it very, very strange indeed to hear of a report yesterday in the national media where it was alleged that women are actually many, many hundreds of thousands of pounds worse off than their male counterparts doing, if not the same job, a similar job. That cannot be right, and as we go into the 21st century it is time that the Isle of Man pulled its socks up and I hope that the next steps are quicker in being put in place than the first original step.

But I welcome it, I welcome its introduction and I hope it gets a clear passage. I may want to attempt to amend one or two clauses, so I give the mover a little bit of warning now -

Mr Delaney: Thank you.

Mr Lowey: - but as far as I am concerned the Bill is one of those pieces of legislation that I personally really do welcome.

Mr Kniveton: Mr President, I was going to say something rather similar, so there is no point in saying the same things. I have to agree with Mrs Christian and Mr Lowey with all they have said regarding this first reading and I have to agree that it is long overdue that legislation should be brought in to introduce ways to prevent discrimination, particularly on the grounds of sex in employment and I agree absolutely with what they have said. Thank you, sir.

The Attorney-General: Mr President, may I welcome the introduction of this Bill. As we know, the Island's domestic legislation will have to be under considerable review in the forthcoming months and perhaps in forthcoming years. Not only do we have a Human Rights Act on the horizon which will require us to look particularly at discrimination, but more

immediately next month we have a review of our legislation by the United Nations Committee who are looking at the International Covenant on Civil and Political Rights and therefore I am very relieved in many ways that we have this Bill on the way and that we can tell people that not only do we not have discrimination, and I believe that that is broadly correct, but also we are seen not to have discrimination and we protect minority rights.

So, Mr President, I do very much welcome this Bill and I also welcome the intention to build upon this Bill. It will be a sound foundation, as the hon. member says, for a comprehensive framework and I do welcome that.

Mr Waft: Mr President, I would just like to fully support the Bill and I would just like to mention with regard to the length of time from 1991 with regard to this Bill coming forward, the disability discrimination Bill is long overdue as well. The timeframes that we seem to adhere to on the Island are not really acceptable to the general public and we are certainly looking at them, and this is a fine example of how procrastination takes place with regard to the necessary legislation being in place.

With regard to this Bill, the Island situation where there is a preponderance of small employers would suggest a need to avoid unnecessary bureaucracy which exists in the United Kingdom legislation and we have gone out of our way to look at that.

I fully support the appointment of a discrimination officer whose functions include a promotion and guidance on acts of discrimination in employment and recognising, unlike the UK legislation, there would be no measure to assist complainants with the preparation and presentation of cases. No such measures exist under current employment legislation and thus a consistent approach has been adapted in the Bill and I would compliment the department on that. Thank you, Mr President.

The President: Reply, sir.

Mr Delaney: Thank you, Mr President. I asked to take this Bill because of my belief in equality between the sexes and I probably have my wife's permission to say that, by the way, I suppose, but the situation is that although our generation has been brought up to some extent with discrimination through the years, I am hoping the next generations will not even be there to add in discrimination against anybody, but I believe this Bill, as I have said, is necessary to get us on the way of carrying out our international responsibility and more importantly our responsibilities to the womenfolk of this Island; that is the important bit.

As far as Mrs Christian is concerned, I welcome her support, and her point about the attitudes of mind is quite correct. I have said before in Tynwald that no matter how much legislation you bring in, unless it is in here, in the head, that you believe women to be equal to men and you believe other people to be equal to us, all the legislation in the world will not change that and I am hoping that is where it will be cured in the final output.

Mr Lowey - I am completely aware that Mr Lowey may have amendments to move and to that end I have tried to design the Bill to come through this legislative assembly for that reason, so that you have the opportunity, because some of them I might be even tempted to support myself, so I am aware of that.

The point that Mr Kniveton made, agreeing with the other members, is that I feel that it has been procrastinated along and has been slow in coming, and as Mr Waft has said also, it

has taken a long time to get us to this stage, hopefully for the right reasons, because we have tried to make sure we get it right. The Attorney-General has pointed out that we have these international obligations and this at least will show that we are moving to complete our international obligations, so I welcome the support on that side of it.

This will not cure everything that has been wrong in the society but it will go a long way to doing so, and I am hoping, like Mr Lowey and the other members, that the next Bill, which I mentioned in my opening address on the first reading, will come to us very, very quickly.

Mr President, I beg to move the first reading.

The President: Hon. members, I will put the resolution that the Employment (Sex Discrimination) Bill be now read a first time. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

Income Tax Bill – First Reading Approved

The President: Turning now to item 3, I call upon the hon. Mr Radcliffe to take the first reading of the Income Tax Bill.

Mr Radcliffe: Thank you, Mr President. This Bill contains all the measures which were announced at the 1999 budget and which, apart from one, are already in force by way of temporary taxation orders. Only one clause in this Bill, clause 11, which deals with benefits in kind, is entirely new and that relates to an anomaly associated with benefits in kind.

Hon. members will be aware that the budget contained proposals - and I am talking about the 1999 budget now - for some of the limits set out in the Bill to be increased and this will be done by way of a resolution to Tynwald after Royal Assent has been announced to this Bill. The limits set out in the Bill will apply for the income tax year 1999-2000.

Hon. members may find it useful to be reminded about the temporary taxation provisions set out in section 15 of the Income Tax Act 1995 which were used for the first time in the 1999 budget. Under those provisions Treasury may, with the approval of Tynwald, introduce new taxation measures by way of an order. Such an order has the same statutory effect as if contained in an Act of Tynwald. An order made under these provisions ceases to have effect after 12 months unless in that time a Bill confirming the order is read a second time by the House of Keys or a Bill is amended by the House of Keys so as to include provisions confirming the order. Provided this time limit is met, as this indication with this Bill, the life of any order is extended to 24 months to allow time for the Bill to be enacted.

The Bill is in two parts. Part 1 contains the clauses with the three measures already in force and replaces and confirms the temporary taxation orders already approved by Tynwald. Part 2 contains two new measures, and the schedule to the Bill sets out consequential amendments.

I propose to go into more detail at the second reading stage in a future meeting of this hon. Council, Mr President, and I beg to move, sir, that the Income Tax Bill be read a first time.

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

Mr Crowe: Mr President, in supporting the Bill it seems to be a technical measure to put into statute what is actually happening in practice and through the order which was announced

in last year's budget, so I do not have any difficulty with this: it is merely putting into formal effect what presumably is happening administratively and through the order.

The President: Reply, sir.

Mr Radcliffe: Right, thank you, Mr President. There is little to reply to there, sir. I thank the hon. member Mr Crowe for his support. As he rightly said, it is a technical Bill and is putting in place what is already in place by way of temporary orders and I beg to move, sir, that the Bill be read a first time.

The President: Now, hon. members, I will put the resolution that the Income Tax Bill will be now read a first time. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

Electronic Transactions Bill – First Reading Approved

The President: Turning now to item 4, I call upon the hon. Mr Crowe to take the first reading of the Electronic Transactions Bill.

Mr Crowe: Thank you, Mr President. The Electronic Transactions Bill is an important piece of legislation which is designed to encourage and facilitate the use of information technology in modern life, particularly in the business context.

The Bill is based on similar legislation introduced by the Federal Government of Australia in June 1999. The Australian Bill is in turn based on a model law issued by the United Nations Commission on International Trade Law in 1996.

This Bill seeks to put electronic commerce and paper-based transactions on the same legal footing and to remove any legal impediments to the use of electronic communications for public authorities and others.

This Bill has been extended to include two provisions not in the Australian Bill. These relate to service providers. Firstly, a voluntary system will be established for the approval of CSPs, which are certification service providers. The function of the CSP is to verify electronic signatures using coded messages, thus making electronic commerce more secure, which will serve to increase consumer confidence. The second inclusion clarifies the position of internet service providers or ISPs in regard to electronic communications sent through them.

To sum up, the Bill represents a practical and flexible approach to e-commerce legislation and one that will help to engender confidence and trust in the use of e-commerce in the Isle of Man. It will help to diversify the economy and the Island will be seen as one of the first jurisdictions to have progressive e-commerce legislation in place.

Mr President, I beg to move the first reading of the Electronic Transactions Bill.

Mr Radcliffe: I beg to second, sir.

Mr Waft: I was just going to second, Mr President. I would just like to congratulate the department. At least we are keeping ahead of the game with this one and we need to be there at the forefront with this legislation. Thank you, Mr President.

Mrs Christian: Mr President, I think most of us are struggling to keep up with this world. However, I think as we become more familiar with it we do recognise that more and more businesses will carry out their activities via electronic communications.

I think the importance of this Bill is that it is essentially enabling. It enables people - and I stand corrected if I have got this wrong - to legally accept documents which have been transmitted electronically and are in electronic form. However, the determination of whether or not this is a secure method of transacting business is left still with the people who are using the electronic medium and it is security which is fundamental to the development of all this business. The Bill, as I understand it, does not impose any responsibility on government in respect of that security, it simply allows that where people wish to use this service in legal terms in the Isle of Man electronic submissions will be accepted.

The President: Reply, sir.

Mr Crowe: Thank you, Mr President. I thank Mr Radcliffe for seconding this and to Mr Waft for supporting this. I agree that we do need to be in the forefront of technological change, and again with Mrs Christian I agree that to people of this generation, shall we say, it comes as much more hard to adapt to it, but the world of business is changing so much that we have to ride along with this technological change, and as Mrs Christian says, it is an enabling Bill, it is a permissive piece of legislation. It enables people to use e-commerce or electronic communications for contracts and other documents, but it does not force people to do it, but there is a responsibility in government and public authorities to adapt to this change. They cannot just sit on their hands and not adapt to this, so there are measures within the Bill which I will bring out later which impose the responsibility on governments. So with that, Mr President, I beg to move.

The President: Hon. members, I will put the resolution that the Electronic Transactions Bill be now read a first time. Will those in favour please say aye; against, no. The ayes have it. The ayes have it.

Now, hon. members, our next item is for consideration in private, so that concludes our public proceedings for this day.

The Council sat in private.