

**REPORT OF PROCEEDINGS OF
LEGISLATIVE COUNCIL**

**Douglas, Tuesday, 22nd May 2001
at 10.30 a.m.**

Present:

The President (the Hon N Q Cringle), The Lord Bishop (the Rt Rev Noël Debroy Jones), the Attorney-General (Mr W J H Corlett QC), Hon Mrs C M Christian, Messrs E A Crowe, D F K Delaney, J R Kniveton, E G Lowey, Dr E J Mann, Messrs J N Radcliffe and G H Waft, with Mrs M Cullen, Clerk of the Council.

The Lord Bishop took the prayers.

New Offices — Architects' Presentation

The President: Hon. members, if I may before we start our formal business this morning remind hon. members that at 1 o'clock there is a presentation in the Millennium Room, as I understand it, for the new build of the offices, for those of you who wish to go along, of the new development to the wedding cake.

Expression of Condolence to Mr Kniveton

The President: Hon. members, I know I speak for all members of Council when I express sympathy to the hon. member, Mr Kniveton, whose brother Gordon died at the weekend. I know that the three Kniveton boys were a very close family and Gordon's death is, of course, a severe blow.

OECD Harmful Tax Competition Initiative — Question by Mr Crowe

The President: Hon. members, we turn then to our Legislative Council order paper and this morning at item 1 we have a question for oral answer and I call on the hon. member, Mr Crowe.

Mr Crowe: Mr President, I beg leave to ask a member of the Council of Ministers, Mrs Christian:

What views does the Council of Ministers have in the light of the announcement on 11th May that the United States Government is no longer interested in co-operating on key elements of the OECD's 'Harmful Tax Competition Initiative?'

The President: I call on Mrs Christian to reply.

Mrs Christian: Mr President, the position of the new United States administration in relation to the OECD's 'Harmful Tax Competition Initiative' is unclear in its detail. Certainly there has been some change of emphasis but whether that will mean a material shift in the work on tax havens, which is the part of the initiative which is of most interest to us, is unclear. I think it is true to say that the OECD itself has not yet established what the full implications are of recent United States' statements. In general we welcome the more questioning stance adopted by the United States and hope that will curb the enthusiasms of some of the more strident and doctrinaire member states of the OECD. Our stance in relation to the initiative remains unchanged and we are comfortable with our position. We will not be included in any OECD blacklist in July and we will only move ahead on the issues raised by the OECD if there is an international consensus. The United States changed position may mean that that international consensus will be more difficult to achieve and the issues on which consensus can be achieved are more limited. Neither of those eventualities causes us a problem.

The President: Mr Crowe.

Mr Crowe: Mr President, I thank the hon. minister for her comprehensive reply but would the minister agree that this is a significant shift in emphasis by the United States Government and could possibly derail the whole 'Harmful Tax Competition Initiative?'

The President: Mrs Christian.

Mrs Christian: Mr President, as I said, it is not entirely clear what the United States' stance is on all the issues. It is clear that they are still in favour of transparency and exchange of information, which is one of the issues which the OECD is pursuing. However, with regard to the other measures, certainly if the United States' proposals differ from those of other OECD countries it is possible that they are going to have a much more difficult time reaching consensus and therefore progressing any of the issues which are of concern to us.

The President: Mr Crowe.

Mr Crowe: Mr President, I thank again the minister for that reply. In particular, earlier on you said the Council of Ministers welcomed the questioning stance of the US and that it could reduce the enthusiasm of some of the more voluble OECD members. Would you just, minister, confirm the Island's position remains unchanged in that we are off the OECD blacklist and really outside the scope of OECD sanctions if the OECD decided to take such action?

Mrs Christian: Yes, Mr President, we certainly are not going to be included in the OECD blacklist in July and whilst the United States stance may have some influence on the way in which the OECD proceeds we will have to wait and see how that evolves. Certainly they have a different approach on ring fencing and that is something which, if it changed the OECD's stance, would be of interest to us in relation to non-resident and resident tax entities. The United States position on defensive measures is different from that of the rest of the OECD and one can imagine if there are no defensive measures, no retaliation for not complying with OECD, the whole thing seems rather pointless and toothless. So it is interesting to see their stance. It will be interesting to see how it interacts with the remaining countries of the OECD but at this time we continue to play it as we were playing it before.

The President: The hon. member Mr Lowey.

Mr Lowey: Would the minister not agree that the Island's stance in adhering to OECD standards is not one of expediency for the Isle of Man, it is because it is right. That is the stance that we have always adopted and that is the stance that we should adopt, not because of one member of the OECD - I imagine, as in most clubs there are differing points of view, as we know within the OECD prior to the new administration coming into being, but would the minister not agree that the Island's position is one we have adopted because it is right and that we want to do it and not one of expediency?

The President: Mrs Christian.

Mrs Christian: Yes, Mr President, the Island has taken the position that it will meet international norms and standards. It will not be in the vanguard rushing ahead on those issues and, indeed, if the OECD do not achieve change on a consensus basis then we will not be changing. But he is right, we want to meet highest international norms.

The President: Right, thank you, hon. members.

Mr Radcliffe — Welcome on Return

The President: It was remiss of me before, but it is nice to see that we have Mr Radcliffe joining us (**Members:** Hear, hear.) again this morning, if only for some short period, as I understand it.

Mr Radcliffe: Well, Mr President, thank you very much indeed. I would thank hon. members for the many best wishes I have had from everyone. It is good to be back albeit part-time today anyway, very much so, but hopefully I am winning with the help of the medicos and I look forward to longer and perhaps harder sessions in the early future. *(Laughter)*

The Lord Bishop: Not longer, we hope. *(Laughter)*

Mr Radcliffe: Yes, must be longer!

Road Transport Bill — Third Reading Approved

The President: Hon. members, we turn then to item 2 on our order paper which is the Road Transport Bill. It is for third reading and in the hands of the hon. member, Mr Kniveton.

Mr Kniveton: Yes, thank you, Mr President, the third reading. The Bill, sir, is intended to replace existing primary legislation relative to public service vehicles and their operation and what are presently known as hackney carriages and their operation. These will all be known as public passenger vehicles. Self-drive hire cars, which are technically hackney carriages under existing legislation, will not however be included within the meaning of public passenger vehicles. They are outside the scope of this Bill and will be regulated under ordinary road traffic legislation as it applies to private passenger cars. The licensing or registration of operators and PPV drivers will be carried out by a five-man Road Transport Licensing Committee.

For regular bus or coach services an operator will need a regular service licence for a specified route. This corresponds to the existing road service licence granted currently by the Road Traffic Commissioners. Irregular passenger services, such as tours and excursions, will no longer need a road service licence. The operator's licence or registration as an operator will suffice.

Taxis will be licensed under another kind of service licence which, with the vehicle disc, will correspond to the existing hackney carriage licences granted by eight local authorities to hackney carriages which may operate for public hire. In order to ease the way into all-Island regime of taxi licences or licensing there will be a transitional period until at least 1st April 2007. During this time the grant of ply-for-hire licences will be subject to the test of unmet need for taxi services in the district and subsequently in the Island as a whole. Also during the transitional period, I do emphasise this point, vehicles with more than eight seats will be prohibited from being licensed to ply for hire as taxis.

During the clauses stage members raised some matters, and I think there were four in all, which called for my response today and I will gladly do that. I certainly do not want any misunderstanding by any hon. members on these points. Consultation before making regulations, which is dealt with in clause 62: in every case where the department is required to make regulations to meet the various provisions of the Bill, the department is obliged by clause 62(5) to consult appropriate representative bodies. Regulations will not come into force until they are first approved by Tynwald.

Moving on to treatment of individual operators and companies, and I think Mr Crowe brought this point up, the companies, under registration of licensing or licensing of operators: this is dealt with in clause 10 and schedule 1. The registration criteria were discussed in the Hackney Working

Party where it was recognised in particular that the taxi owner-driver was closely regulated by taxi driver licensing provisions and there was therefore only a limited need for further regulation in his or her case. Therefore the requirement that an operator should be of good repute will be taken as satisfied for so long as an owner-driver qualifies as a suitable person to hold a taxi driver's licence. Otherwise operators of public passenger vehicles or heavy goods vehicles will have to specifically satisfy the committee of their good repute, defined in schedule 1. This means that, in relation to an operator who is an individual, the committee will have regard to any relative convictions of the individual or his employees or agents, but in the case of a company the good repute requirement is that the committee will have regard to relevant convictions of the company as a company or of its officers, employees or agents. As regards financial standing and professional competence, these are requirements imposed by clause 10(2) on applicants for an operator's licence or entry in the separate part, what we usually refer to as the upper part of the register, for passenger or goods vehicle operators. So requirements as regards financial standing and professional competence will have effect only in respect of operators who use vehicles to undertake journeys off the Island or who have significant fleets of vehicles.

With regard to control of vehicle numbers, another point which was raised, the basic principle in the Bill is that all commercial operations of public passenger vehicles and of heavy goods vehicles will have to be authorised under a system of operator registration or licensing. There is no explicit or implicit limitation on vehicle numbers *per se*. Instead market forces could operate to provide that operators meet the required operational and quality criteria specified in the Bill and which apply to the class of operator in question, in particular having a suitable operating base and maintenance arrangements for the number and kind of vehicles operated. Under the operator provisions there will therefore be no artificial restraint of trade through the implementation of the operator registration or licensing system but there are special provisions as regards taxis during the transitional period dealt with in schedule 2. Under schedule 2 there will be a limitation on ply-for-hire of service licences - that is, as I say, taxi licences - on the basis of unmet need. Initially this will be on the basis of the need for taxis in each of the four new taxi districts but after that the unmet need test can still continue in respect of the Island as a whole, if Tynwald after April 2007 decides that it should. These provisions in schedule 2 will last until at least April 2007 and thereafter only revoked by order of Tynwald.

Finally, one other point with regard to the question of the supply of information to the Road Transport Licensing Committee by the Chief Constable: this is dealt with by clause 57. I think Mr Lowey raised this point. It is very important the committee should have access to applicant's criminal records and so be able to find out if a prospective taxi driver has a record for such offences. Clause 57, so far as it applies to the Chief Constable, is designed to ensure that the Data Protection Act and the Association of Chief Police Officers Rules, cannot be pleaded in order to prevent access to criminal records since the statutory duty to disclose automatically exempts from the non-disclosure rules as well as from any non-statutory restrictions on disclosure.

Mr President, this Bill I believe, sir, should bring in a breath of fresh air into two very honourable and long standing public passenger service sectors and will introduce regulation of the operation of heavy goods vehicles. It is very much needed, sir, for the long-term benefit of the industries concerned and I would emphasise too, particularly for the general public who use public passenger services. There has been very, very considerable consultation regarding this Bill and I beg to move, sir.

The President: The hon. member, Mrs Christian.

Mrs Christian: I beg to second, Mr President, and in welcoming the third reading and presume that he has picked a particular piece of regulation moved hopefully for the full acceptance, I think it is time that we had some change in this legislation. This particular piece of legislation has had a very long gestation period and there are a number of issues in it which I think will be valuable. Not least, I hope, it will improve the standards both of vehicles and people who drive them in the sense of their knowledge of the Isle of Man, because it is a fact that at the moment people can get a taxi and the driver has no idea where they are taking people to. That does not do anything for our image in terms of confidence of visitors and so on. It is appropriate that these sort of things should be tightened up on, so I am very happy to support the third reading, Mr President.

The President: The hon. member, Mr Delaney.

Mr Delaney: Thank you, Mr President. I do not wish to keep the Council any longer than they have to today, particularly with Norman giving us notice that he has joined my club. I have a situation that I want clarified, particularly on what has just been said by the mover. When it says 'officers of a company' does that include, because I have never heard it mentioned, the beneficial owner of a company? I need that to be clarified because directors of a company can be nominated with one share and the majority of shares can be owned by somebody who is not of a savoury character. That is what I would like cleared there. Also, at the last reading, I attempted unsuccessfully with the vote being 3, 3 and your casting vote in favour of the status quo, to move an amendment and during that there was a debate on whether it was in the right section, from the mover. I am in receipt this morning, in this morning's mail, which is short notice to say the least, of a letter which was sent by the department to the Taxi Drivers Association and owners, as I understand it. It says, and I wish to read it into the actual *Hansard*, Mr President, 'Road Transport Bill. At the clauses stage of the Road Transport Bill in the Legislative Council, Mr Kniveton, who is in charge of the Bill in the Council undertook the department would write to the Taxi Operators Association and members of Tynwald to give assurances as regards the long-term prohibition on minibuses being authorised to ply for hire as taxis. I am happy to confirm that by virtue of revisions under paragraph 3(b) of schedule 2 to the Bill, as was agreed by the House of Keys, it will not be possible for a vehicle with more than eight passenger seats in addition to the driver's seat, to be licensed under clause 29, in the manner of a taxi, to stand or ply for hire in a road or any other public place, which prohibition therefore necessarily applies to a taxi rank as a public place. That schedule 2 itself provides at paragraph 2(2) that no part of it may be repealed by order before 1st April 2007 and such an order shall not have effect unless it is approved by Tynwald. This means that, even if it had a mind to do so, the department could not repeal by order the prohibition on minibuses plying for hire for at least five years following the coming into force of the taxi licence provisions of the Bill, i.e. five years after 1st April 2002. If the department did decide to propose such an order to Tynwald in five years time or at a later time, it would be necessary for the department to consult the Road Transport Licensing Committee and relevant bodies, including the Taxi Operators Association, which at that time existed and advise Tynwald on the outcome of that consultation. It would be a matter for Tynwald to approve or not approve the removal of the prohibition on using minibuses as taxis, which would no doubt view in the context of the prevailing passenger transport market conditions at that time and the perception at the time of the public interest' and it is signed by the minister, the hon. J A Brown, MHK.

Mr President, I received a letter back from the Attorney-General's Chambers re my amendment last week which I moved and which was questioned latterly and it reads 'Dear Mr Delaney, Road Transport Bill. The Department of Transport have written to me about your amendment in the Council yesterday. I understand there was some difficulty over whether it was a substantial or consequential amendment. Clause 64(4) says that the amendments in schedule 3

are consequential so the amendment which is certainly not consequential ought not to have been included in schedule 3. I drafted it in about two minutes yesterday morning and overlooked clause 64(4). I should have framed it as a new clause or an amendment on clause 29. I must take responsibility for that. I enclose a revised amendment to the same effect, but this time inserting a new clause which avoids the difficulty raised yesterday. You may wish to consider moving it on third reading.' I do not wish to move the amendment but I wish to highlight here a number of things. First of all, as the mover will verify, I did not receive officially the letter referred to until this morning. I think members of this Council and you, sir, have a right to receive such information much earlier, particularly as they have taken the trouble to write to the Taxi Drivers Association who supplied me fortunately, after meeting with them, with a copy of the letter. I take that as a bit of a put-down on the Council members that that should happen, that outsiders can inform me what is going on, on something I am doing in this Council meeting. The matters mentioned by the Attorney-General's legal draftsman: as our clerk would clarify, I saw our clerk, Mrs Cullen, and within a couple of minutes maybe the illusion given, but I had spoken to our legal draftsman nearly a week before and had tried to get hold of him on several occasions. It was not until the latter part of the week I managed to get hold of him to move an amendment. He knows better than anybody how this Council works and how the system works in moving amendments. They may occur at short notice. On this occasion they did, roughly a week. I wish for the benefit of the running of the political end of this Island, Tynwald and the House of Keys, to ask of you, sir, with your other office in the other place, to look at the situation of our legal draftsmen. Maybe we are under-staffed. If we are we should have provision made quickly to supply us with another legal draftsman so that situations like I have experienced would not occur, particularly to members of the House of Keys, directly elected representatives of the people. I believe they deserve better purpose, particularly as departments can bring in to draft these Bills their own legal draftsmen and we have to be at the back and call of our legal draftsman, at 33 members. I think it is a bit unfair to say the least and not very courteous to the public representatives. I would wish that, Mr President, to be on the record.

As far as the amendment is concerned, I am now given to understand by the different groups of taxi drivers, they are happy that I have read it into it and they would look forward and would be the first whoever is there to make sure that no amendment is made to the point I raised because it is unclear and certainly unclear, to the Clerk of Tynwald because I raised it with him this morning, that the situation I highlighted in this Council is not changed without them knowing and us knowing what is going on. Thank you, Mr President. I am sorry I have been so long winded, but it was necessary to clarify the situation.

The President: I take the point, hon. member, and you are perfectly entitled to clear whatever you wish at this particular stage. That causes me no problem whatsoever and I also take note of the comments which you made in relation to legal draftsmen. Mr Lowey.

Mr Lowey: Thank you, Mr President. While supporting the Road Transport Bill's third reading, I would like to put a caveat down. I would like to ask the mover of the Bill does this legislation comply with human rights legislation, especially in the terms of my query last week which he has answered specifically this morning regarding private information of an individual being made available via the Chief Constable at the request of the Traffic Commissioners? I find it very difficult to accept that even the Chief Constable has the right to waive the law, as I see it, as being already approved by Tynwald and I put a caveat into that that I will be pursuing the matter because I do not believe that one can pick and choose and cherry pick and therefore I am raising those questions now. While I will be supporting the Bill, I do think the principle there is a very important one and one on which I would feel very strongly.

But let us get back to the Bill and its aims and objectives. I think the Bill has made a very good attempt to try and rationalise something that has been around for a very long time and I think it is trying to bring a little bit of semblance of order and certainty to the people who operate in the business. As far as I am concerned I hope it will settle down and I notice the department has said they will not alter anything for seven years, et cetera, et cetera to try and give, once this comes into being, that there is a degree of certainty. That I will concur with and for the objectives of the Bill I have no difficulty in supporting.

As I said, I wonder whether this Bill does conform with human rights and could I then ask again another pertinent question regarding to that particular subject. I thought all legislation there that was coming before the branches would have had to have been vetted the day it did comply with the thing and here we are, what I would call an infringement of the individual's liberty in that past records disclaimed can be released. Now that is not right. To me it is not right anyway, if I have already agreed the principle that it should be wiped clean, then to be told later that notwithstanding that you can still be compounding a felony if you do not declare them or the police Chief Constable does not release that information to the Road Traffic Commissioners. That is not my idea of accepting the principle which we have already done at another time. So with those reservations I will be supporting the Bill.

The President: The hon. member, Mr Waft.

Mr Waft: Thank you, Mr President. The mover mentioned the situation with regard to the committee having regard to the unmet need. I wonder how that unmet need will be identified. Will regular surveys be undertaken of the changes in population and to the fact as to how the present taxi owners will be able to meet the changing needs? How is that going to be established? Also if I could mention clause 31 with regard to the numbers that the committee will have rule over. Clause 31 states 'The committee shall refuse an application for a licence under section 29 if the applicant is not a registered passenger vehicle operator or the holder of a passenger vehicle operator's licence or is disqualified under section 33(4) for holding a service licence but otherwise the committee shall grant the licence', so I see a problem there if they are going to restrict them and clause 31 says they will be granted it. I just wondered whether that had been gone into by the draftsman. Thank you, Mr President.

The President: Mr Crowe.

Mr Crowe: Yes, can I just say I support the Bill. I think it is a good framework and I think the regulations as they come through will probably pick up a lot of the issues that, maybe, may lack a little bit of clarity at the present. So I am in support.

The President: Can I call on Mr Kniveton to reply?

Mr Kniveton: Yes, thank you, Mr President. It has not been an easy Bill. It covers so much ground and it covers a long period of time. There has been considerable consultation and I hope and believe now that everybody that is involved in this Bill is reasonably happy with it. We cannot satisfy everybody. We have certainly tried and as members will realise in another place the minister did put forward a number of amendments and they were, sir, to satisfy those who had any doubts and problems with the Bill.

I thank Mrs Christian, for seconding my motion. I do thank her and she made remarks regarding improved standards of knowledge and so on and, yes, that is quite true and I believe that that will come in two parts when this is enacted and the committee start sitting. Mr Delaney referred to company and beneficial ownerships. The position as I see it as that directors have to be taken

into account. Ultimate beneficial owners are irrelevant, it is the directors, managers, officers, agents who have to meet good repute et cetera. The company must have professional, competent management and meet financial provisions as well as itself being of good repute as in the terms of schedule 1. That is the situation regarding companies.

The eight seats plus driver taxi has been a bug bear throughout and I do appreciate that. As I said earlier we have tried desperately hard to satisfy the situation. As I promised at the last sitting, the clauses sitting of this Bill, the minister has given that letter. First of all can I say how sorry I am that members did not get the letter until this morning. I realised yesterday that the letters had not been delivered or posted or whatever and I expressed my dismay and I knew that I would be reprimanded for that this morning. I spoke with the minister and I do not think he is guilty because he signed them. I think there has been a mix-up somewhere and I can assure hon. members there was certainly no intention of misleading anybody, holding back on information et cetera but I hope that hon. members will accept the letter for what it is now and it covers the point, the assurance I gave, mini buses under clause 29.

Mr Delaney has suffered draftsman problems I can appreciate that and I can understand his feelings for a new clause and I do appreciate that he has not introduced this new clause today. It might well have caused a few problems and I think he has acted very sensibly and with great understanding and I do thank him for that. Mr Delaney read the letter, quite rightly so. I had reason to believe he was going to which is why I did not read it myself because I thought we are not going to repeat things in this hon. Court as Mr Radcliffe I know wants to leave promptly today.

Now, Mr Lowey on the question of human rights: information given to the committee can be held confidential to the committee. Where the information is required by equity or specific legislation it can be held. This is an area which will need to be put into procedural regulations eventually and I do invite the Attorney-General if he wants to cover me better on that point then I am very happy that he should do so.

Mr Waft made reference to unmet need, regular surveys and justifying of taxis. The answer is, yes, there will be surveys, there will be surveys regularly, I think now you will find that this new committee will be, and I mean it nicely, a lot more professional than the Road Traffic Commissioners who have gone along as they are with three members and one clerk. They have kept it going as it was required over the years up to now but I think you will find a vast improvement, a lot more professionalism in the job.

I think I have covered all the points. I hope I have. With that I beg to move the third reading of this Bill and that it do pass and if I may, sir, before I finish give Mr Attorney-General a chance to come in if he wishes to. Thank you, sir.

The President: Yes, I acknowledge the point that you have moved third reading and replied to the debate but, Mr Attorney, you have been invited.

The Attorney-General: Yes, thank you, Mr President. If I may there are two points with your permission, first of all in relation to the draftsmen and then the human rights point.

Very briefly in relation to the draftsmen, I would apologise if there has been a failing on the part of chambers to supply the service which hon. members are entitled to. My experience is that the draftsmen certainly try their very very best to accommodate what undoubtedly is an increasing workload as time goes on. (**Mr Delaney:** Hear, hear.) I am pleased to say that we have had permission very recently to advertise for a third legislative draftsman, who I suppose in due course will as it were stand in for the senior draftsman until his retirement and then there will be some

succession as a result, but it is very concerning to me to hear that hon. members have been let down and I apologise for that.

In relation to the human rights point; of course although the Human Rights Act is not in force as yet, or the main parts of it, chambers are very aware of the need to advise ministers and others moving legislation whether or not the legislation complies with the convention. This Bill in common with other Bills has been vetted by the draftsman and, indeed, it would be brought to my attention if they had any concerns about it. Clause 57 effectively says that the department and the Chief Constable shall supply to the committee such information in their possession relating to various things as the committee may reasonably require for the exercise of its functions under this Act. My understanding, and I must say I was just a little startled to hear the hon. mover of the Bill refer to the ACPO rules, that is the Chief Police Officers Association (**Mr Delaney:** Hear, hear.). The ACPO rules actually make it very clear that, for example, information about previous convictions may not be disclosed, certainly in relation to, for example, an employer who wished to employ a servant, an employee on a particular job. The only circumstances in which the ACPO rules allow details of previous conviction to be disclosed are where, for example, the applicant for a job is to work with children or something like that but generally speaking the ACPO rules are very clear that previous convictions and records of previous convictions are for the use of the police alone and they may not disclose to other parties. So it may be that as time goes on and as the committee will be advised, it would be unreasonable for them to require the Chief Constable to supply information which is contained primarily on their record of previous convictions governed by the ACPO rules. Similarly data protection legislation really is designed to keep information in relation to individuals private unless it is in relation to fight crime and so on. So I would be a little cautious, with the greatest respect to the hon. mover of the Bill, in saying that data protection and ACPO rules will not prevent disclosure of relevant convictions I would be a little bit more circumspect about it if I may but I am confident on the information I have that the Bill as drafted is compliant with the Human Rights Act.

The President: Mr Delaney.

Mr Delaney: As I raised it to work with the system last week with the work permits now that was not allowed to pass and I also forgot to thank the Attorney-General for his consoling telephone call yesterday which I appreciated very much in relation to my amendment. I did appreciate that, thank you.

The President: Mr Kniveton, do you wish to add anything further?

Mr Kniveton: I do thank the Attorney-General for his advice there, which obviously I will certainly accept. I am a little bit embarrassed about what I have put forward but certainly it was not my intention to mislead.

The President: It is what the committee 'may reasonably require.' Hon. members, the motion before us therefore is that the Road Transport Bill be now read for a third time. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Road Traffic (Amendment) Bill — First Reading Approved

The President: We turn then to the Road Traffic (Amendment) Bill and this time it is a Bill for first reading and again it is in the hands of Mr Kniveton.

Mr Kniveton: Thank you, Mr President, a little bit shorter than the previous one, certainly what I have to say this morning.

The Bill comprises a number of divisions. Clauses 1 to 7, and I am abbreviating down to groups, are on road traffic regulation and they contain amendments to the Road Traffic Regulation

Act 1985 which deals with regulation of vehicles on roads for traffic management purposes including speeding offences and parking place arrangements. An additional clause was added by the House of Keys on the stopping of vehicles at school crossings to allow vehicles to be stopped for adults as well as children. Grouping clauses 8 and 9, they are on parking and they contain amendments to the Road Traffic Act 1985 in respect of road traffic offences relating to illegal parking at junctions and application of specified road traffic offences to car parks which are effectively used like roads, if the landowner consents. Clauses 10 to 15 are on motor vehicles and trailers and for the most part these are amendments to schedule 2 to the Road Traffic Act 1985, which contains the primary powers and provisions relative to construction and use of vehicles. There are also amendments to the main body of the Act in relation to off-road offences. Clause 16 is on driver licensing by which the schedule 1 to the Bill amends driver licensing provisions in the Road Traffic Act 1985 which are mainly in schedule 3 to that Act. Schedule 1 also amends section 4 of the Act so that in future minimum driving ages for different classes of vehicles will be prescribed by regulations. In another place the amendment of paragraph 4(3) of the schedule has the effect that the theoretical driving test shall be passed within the two years leading up to taking a practical test of competence to drive instead of within the two years leading up to the taking out of a provisional driving licence. Clauses 17 to 19 are on vehicle licensing registration and they contain amendments to the Licensing and Registration of Vehicles Act 1985 so as to extend the scope for regulations to be made. Clause 20 is on motor insurance and it amends the Road Traffic Act 1985 so that compulsory third party insurance is required for a motor vehicle used in a public place not just a road, so that the Isle of Man third party insurance laws match such new provisions in the other British jurisdictions. Finally, sir, clauses 21 to 31 are on highways and they amend the Highways Act 1986. An additional clause was added in another place and it provides that the construction of a new means of access to a highway shall only be carried out with the consent of the Department of Transport. Mr President, I beg to move the first reading of the Bill.

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

The President: Hon. members, the motion before us then is that the Road Traffic (Amendment) Bill be read for a first time. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Airports and Civil Aviation Bill — First Reading Approved

The President: We turn then to item 4 on our order paper which is the Airports and Civil Aviation Bill, again for first reading. Mr Kniveton, please.

Mr Kniveton: Yes, thank you, Mr President. The Bills do get shorter as the morning goes on. The Airports and Civil Aviation (Amendment) Bill 2001 is a two clause Bill and it is promoted by the Department of Transport on behalf of Government. It amends the Airports and Civil Aviation Act 1987 by inserting a new section 11A. Quite simply, the new section will enable the department to make air navigation orders and other essential instruments relative to civil aviation by applying to the Island the provisions contained in European Community instruments, whereas at present it is the UK provisions which are applied to the Island by our air navigation orders et cetera. This change is necessary and very essential because the UK and other countries in Europe are now directly subject to European Community civil aviation provisions, which means that in future there will be no suitable UK national provisions which we could use for the purpose of making our own air navigation orders and other civil aviation instruments. You might say we are bringing ourselves up to date. The powers are similar to those in force in relation to sea fisheries and customs and excise. Mr President, I beg to move that this short Bill be read a first time.

The President: Mr Crowe.

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

The President: Hon. members, the motion then is that the Airports and Civil Aviation Bill be read for a first time. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

**Interception of Communications (No. 2) Bill — First Reading Approved —
Standing Orders Suspended — Second Reading Approved — Clauses Considered**

The President: Item 5 then is the Interception of Communications (No. 2) Bill, again for first reading but this time Mr Crowe to take.

Mr Crowe: Thank you, Mr President. This is a classic case of legislation catching up with technology. The purpose of the Bill is to extend the scope of the Interception of Communications Act 1988 to cover messages sent to or by mobile phones and letters or packets sent by private courier services. Clause 1 enables a warrant to be issued requiring the interception of messages sent by or to a named person not just from or to a specific address. Clause 2 and the schedule make minor and consequential amendments to the 1988 Act including amendments enabling a warrant to be directed to a courier service and clause 3 is supplemental. Mr President, I beg to move the first reading of the Interception of Communications (No. 2) Bill.

The President: Mr Lowey.

Mr Lowey: I beg to second, sir. Could I just ask the mover of the Bill a couple of queries. Do the same safeguards that apply to what for shorthand I will call the mechanical way of telephoning, the traditional way, are in place because I remember seeing a 'Panorama' programme with the bombing at Enniskillen where a lot of evidence was given on that 'Panorama' programme of the ability to trace telephone calls on mobiles. I was wondering then, at that particular time, where were the safeguards and who was doing the monitoring. I am all for people, if they are up to no good, that they should be traced and all the rest of it but it does worry me a little that we say we have got human rights and all the rest of it and then we start to nibble away for this good, for that good. As long as the same safeguards are in place for the mobiles as they are for what I would call the fixed ones then I have no difficulty at all in accepting the Bill. The mover of the Bill said it was the law catching up with the changes in technology. I accept that and if the same safeguards are in I am very happy but there was no emphasis on the safeguards and if there are I would like to know that those safeguards are there.

The President: Yes, Dr Mann.

Dr Mann: I think the question of safeguards is very important and something that I do not think we can truly answer. If I am right, this Bill which brings up to date a previous Act actually only authorises officials or official departments or part of government in intercepting communications and yet a private individual can intercept without any great problem. The weakness of the previous Act was that it referred only to telephonic communications on land lines but it did not stop anybody else going along and intercepting if they so wished in a private capacity and I cannot see how one can ever introduce safeguards of that nature.

The President: Mr Waft.

Mr Waft: I think, Mr President, what we are talking about here is legal interception on behalf of the community, if you like, and specific to a warrant issued by the Chief Minister and there are safeguards in built there because of that very situation.

The President: Mr Attorney.

The Attorney-General: Yes, Mr President, I did not want to steal the thunder of the mover who may very well be able to -

Mr Lowey: Intercept it by all means. *(Laughter)*

The Attorney-General: Mr President, the fundamental part of the Interception of Communications Act 1988 in respect of safeguards remains intact. In particular in relation to perhaps the point raised by the hon. member, Dr Mann, it may well be that individuals can intercept communications but, if they do so without acting in compliance with this legislation, they commit an offence contrary to section 1 of the Act and proceedings may be instituted with the consent of the Attorney-General. So it is no doubt possible but illegal to intercept. The whole point of this legislation is that the Chief Minister may issue a warrant under this legislation provided that it is in the interests of national security or it is for the purpose of preventing or detecting serious crime and that fundamental point remains intact. Equally there are provisions in the legislation which again remain intact where the Chief Registrar must consult with the Attorney-General to ensure that the provisions of the legislation are complied with and of course the exercise of the Chief Minister's discretion is reviewed each year by the commissioner, who is the First Deemster. There is also, of course, a fundamental point that any information which is intercepted as a result of these operations may not be tendered in court as evidence. The whole point of this legislation is to enable the police to obtain information and intelligence which may be used to fight crime but it is, if you like, a fundamental aspect of human rights that that information or intelligence may not be used as evidence in the court. I have no doubt the mover of the Bill will emphasise the purpose of this Bill is to make it clear a warrant may be issued even though the police do not know what the details are of a particular telephone number or a particular address. The point is unfortunately nowadays people involved in serious crime can use Pronto telephones, hand held telephones, which have no particular telephone number and no particular address and I am afraid that those persons know about the defect in legislation and they are exploiting it. This is an attempt to stop up a loophole. No doubt the criminals will move ahead but the best we can do is to follow in their trail and perhaps some times anticipate.

The President: Dr Mann, do you wish to - no. Mr Crowe then.

Mr Crowe: I think Mr Attorney has answered it. I think that answers all the questions. I move the first reading then.

The President: Okay, hon. members, the motion before you is printed at 5 on your order paper, the Interception of Communications (No. 2) Bill be read for a first time. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Mr Crowe: Could I ask that we take second reading of the Bill, suspend standing orders.

Mrs Christian: I have to second that, Mr President, I think that the issue is quite clear. It is a Bill of few clauses. It is a tool which I think might very well usefully be available sooner rather than later so I would support the suspension of standing orders.

Mr Lowey: I would agree with that.

The President: Hon. members, we have a motion. Does any member wish to speak to it? The motion then is that we suspend standing orders to take a second reading this morning of the Interception of Communications (No. 2) Bill. Those in favour please say aye; against, no. The ayes have it. The ayes have it. I invite then Mr Crowe to move on with the second reading of the Interception of Communications Bill. Mr Crowe.

Mr Crowe: Mr President, I thank hon. members for allowing me to take the second reading. As mentioned earlier, this Bill is required because of changes in technology, such as mobile phones, and changing business practices, such as the use of private courier firms. The Bill extends the scope of the Interception of Communications Act 1988. A new section 3 is added to that Act which deals with the scope of a warrant issued by the Chief Minister authorising the interception of mail or telephone communications. The new section provides that a particular address need not be specified. The warrant need only specify a particular person to or from whom or particular premises to or from which communications are likely to be sent. This enables communications to or from a particular person or premises to be intercepted where they are sent by a new means of mobile telecommunications, even where the phone number is unknown. However, the communications to be intercepted must be described by reference to particular factors. For example, names, postal addresses or phone numbers, and cannot just be in general terms. Clause 2 introduces the schedule which makes minor amendments to the 1988 Act to ensure that letters sent by courier can be intercepted in the same way as letters sent by post. Clause 3 gives the Bill its short title. There is no commencement provision included, so the Bill will come into force immediately on Royal Assent being announced to Tynwald. Mr President, I move that the Bill be read a second time.

The President: Mrs Christian.

Mrs Christian: Mr President, I beg to second. It is interesting that technology has moved on to the extent where the type of phones that we have now are sitting outwith the current provisions in relation to interception. What perhaps is more surprising is that courier services which have been around for quite a long time have not been covered by this legislation and it is certainly appropriate that they are because, as the learned Attorney has indicated, anybody who seeks to exploit these loopholes is well aware of them and takes advantage. So it is a catching up exercise. No doubt things will change quite rapidly from now on and who knows how long it might before we have to change it again but at least this is a step in the right direction.

The President: Dr Mann.

Dr Mann: Yes, Mr President. If I get the interpretation correctly, a private investigator could use any electronic means. It may be technically illegal but there is no means of proving that he has done it and the only safeguard is that that information cannot be used in court. Is it not correct that most of the emergency services have means of intercepting as a matter of day to day business, as you might say?

The President: Mr Lowey.

Mr Lowey: Yes, I appreciate what has been said, you know, that it is for interception to fight crime and I am all for that. As a former Minister for Home Affairs I know there are two points and, because they are not implied in here, they could be in the original Act and that is it says here at the time the warrant is issued the Chief Minister issues a certificate. I know if the Chief Minister is off the Island I think it is the Home Affairs minister that signs and I presume, although it does not say so here, that it would equally apply on this particular Bill, if he is not on the Island it could be delegated down and when the deemster who certifies these things every year it would actually highlight that. It also says in Clause 1(4) that the Chief Minister considers that the examination of materials selected according to factors referable to that person is necessary for the purpose of preventing or detecting acts of terrorism. In other words it restricts the way in which it can do it to acts of terrorism and not to crime generally and I would have thought that serious crime, I thought we covered it with serious crime. What I am really trying to make sure is that we are not limiting the

scope of this particular for mobiles to acts of terrorism and not to the fighting of crime which I think most people would agree is a legitimate tool to be used by the authorities. What I am trying to say is I hope I am not prescribing there by omission that it is only acts of terrorism that are covered by this particular piece. I know that clause 1(4) deals with the naming of an individual in the Act but I am just worrying that we somehow or not are making it more difficult for the authorities to use this Bill.

The President: Mr Crowe to reply.

Mr Crowe: Thank you, Mr President. I thank Mrs Christian for seconding this and her comment on well taken. Dr Mann, yes, again this question of use of tapping into, shall we say, the airwaves: I am aware and most members will be aware that you can buy scanners which actually track through ambulance, police, air traffic control which I believe are illegal, by some anomaly of in law. I have not been briefed on this, it is only from reading it, whether it is factual or not, but presumably you can buy these things but to use them is illegal, but again that seems a bit of a nonsensical situation. I would not suggest that private investigators would have any right to legally scan or tap into telephone lines, or tap into mobiles. Interestingly enough at the Jill Dando trial it appeared that the police had great difficulty tapping into pay-as-you go mobiles because you can buy them and pass them around, anybody can use them, there is no name so that there are great difficulties in fixing on who was using mobile phones at any point and at any one time. So this here really is to give, as the learned Attorney says, the authorities here - and it needs a warrant issued by the Chief Minister that would actually name the premises or name the people as to where the actual mobile phones were being used. So I think the use of this really is to cope with today's technology and, as Mr Lowey has mentioned again, there is power for the Minister of Home Affairs to act if the Chief Minister is ill or absent or unable to act. As for acts of terrorism, I hope I can pick that up in the clauses stage, which with your forbearance I might go for, Mr President. So if I could move the second reading.

The President: Hon. members, the motion is the Interception of Communication (No. 2) Bill be read for a second time. Those in favour please say aye; against no. The ayes have it. The ayes have it. Now, hon. members, I appreciate we had to suspend standing orders for us to take the second reading, can we move straight on with the clauses? We could of course take clauses and the third reading next week.

Mr Crowe: I would prefer the clauses if I may, Mr President.

The President: I am entirely in hon. members' hands, so we will take clause 1, hon. members.

Mr Crowe: Although it is a short Bill, I am afraid hon. members, that the clause 1 explanation is a bit lengthy, so if you will forgive me for the whole of this. Clause 1 substitutes a new section 3 in the Interception of Communications Act 1988. Section 3 deals with the scope of a warrant issued by the Chief Minister authorising the interception of mail or telephone communications. At present a warrant must usually specify an address to or from which mail or communications may be sent and the interception is restricted to communications to or from that address and it may also be a postal address or a telecommunication address, such as a phone number or e-mail address. In addition, the warrant must specify either a particular person or particular premises, communications to or from whom or to or from which are likely to go via that address. Under the new section 3, a particular address need not be specified. The warrant need only specify a particular person to or from whom or particular premises to or from which communications are likely to be sent. This enables communications to or from a particular person or premises to be

intercepted where they are sent via a mobile phone or cordless telephone, even where the phone number is unknown, as may be the case where a Pronto mobile is used. However, the communications to be intercepted must be described by reference to particular factors, for example, names, postal addresses, e-mail addresses or phone numbers and cannot just be in general terms.

Section 3 (1) lays down the new rule that a warrant normally has to name or describe a particular person or premises and requires the interception of mail or other communications which are likely to be or to include communications to or from that person or those premises and any other communications which have to be intercepted in order to catch them, for example, calls to or from other persons in the same household as the person named.

Section 3 (2) requires the warrant to describe the communications to be intercepted by reference to particular factors specified in the warrant, for example, particular addresses, phone numbers or apparatus. So a warrant to intercept mobile phone calls by or to a particular person cannot authorise the interception of all phone calls in the Island. It must be limited to calls to particular numbers or to any Pronto-go phone issued between particular dates, or e-mails to particular addresses.

Section 3 (3) excludes the rules in (1) and (2) in the case of communications to or from places outside the British Islands, which covers the United Kingdom, Isle of Man and the Channel Islands, where they need to be examined. But this exception only applies when the Chief Minister gives a certificate specifying the kinds of material which needs to be examined and certifying that the examination is necessary and I quote, 'in the interests of national security or for the purpose of preventing or detecting serious crime.' This substantially repeats the existing exception.

Section 3 (4) ensures that the exclusion in (3) above cannot be used to by-pass the restrictions in (1) and (2). The Chief Minister's certificate cannot prescribe the material to be examined by reference to a particular person who is known to be and I quote, 'in the British Islands.' There is one exception to this, communications to or from abroad can be intercepted for up to three months to catch materials sent to or from a particular person in the British Isles, as an anti-terrorism measure only. So, for example, communications to or from the Irish Republic cannot be intercepted in order to catch communications from or to a named person in the Isle of Man unless he is a suspected terrorist and this substantially repeats the existing clause.

Section 3 (5) requires a certificate to be actually signed by the Chief Minister but there is power for the Minister for Home Affairs to act for the Chief Minister if he is ill, absent or unable to act. Mr President, I beg to move clause 1 do stand part of the Bill.

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

The President: Mr Lowey.

Mr Lowey: I would accept exactly what the mover of the Bill has said but he has used the adjective 'substantially' repeats but did not tell us the parts. Substantially means nearly all but not all. I wonder if the mover could tell us which parts have not been repeated in this legislation because it would be interesting to know when we are dealing with this. Clarity I think is the name of the game.

The President: Mr Crowe.

Mr Crowe: I thank Mrs Christian for her. . . Oh sorry, Dr Mann.

The President: Dr Mann.

Dr Mann: There was a provision, if I recall, in the original Bill for a report to be made to Tynwald. I do not see that is repeated here. Does that mean that that power is still continued from the old Act? I do not see it in this.

The Attorney-General: If I can assist in relation to that particular point, Mr President, the provision that the hon. member, Dr Mann, is concerned about is in section 9 of the existing legislation which is concerned with the commissioner, who is the First Deemster. Section 9 remains intact save that there is a slight amendment to do with a courier service which we have noted earlier on. I confirm that the report prepared by the First Deemster, as commissioner, has to be made to the Governor in Council and a copy of that report must be laid before Tynwald with a statement of compliance. So, Mr President, that safeguard is certainly still intact.

Dr Mann: There is just one comment on that. That is a very important part of the original Act which is, as you say, still in force. But it only ever identifies to Tynwald that the action has been compliant within the Act. It never ever tells anybody whether it has been a successful operation or a failure. I know there is nothing in law to say that but we do know that on an annual basis two or three times this is put into effect but one never ever knows whether it was used successfully.

The President: We do not know the result of the game at the end of it. Mr Attorney.

The Attorney-General: Mr President, if I may comment on that. I suppose it is at the core of this legislation that one would not expect the contents of the interception and whether or not the interception had been successful in fighting crime to be made public. The essence of it is that unfortunately this is, as it were, an undercover operation which is designed to be private and secret. There is power in the legislation in section 9 of the existing legislation which if I may just read it: 'If it appears to the Governor in Council after consultation with the Commissioner that the publication of any matter in an annual report would be prejudicial to national security or to the prevention or detection of crime, the Governor in Council may exclude that matter from the copy of the report as laid before Tynwald.' So it actually emphasises that if, for example, the Commissioner were to say in his report to the Council of Ministers, 'Look this warrant was issued against Mr X but it ought not to have been because the legislation was not complied with,' it may be felt by the Governor in Council that that sort of disclosure, i.e. that Mr X has been subject to a warrant under this legislation, was prejudicial to national security or might prejudice an ongoing criminal investigation and that would be so serious as to even take it out of the scope of review by Tynwald. So I think it does emphasize how important it is that this matter be kept secret.

Dr Mann: So the individual would never know whether in fact his communications had been intercepted or not.

The Attorney-General: Indeed, Mr President, anyone around this table could have a warrant and we would not about it.

The President: Okay, it has gone. Mr Crowe.

Mr Crowe: Could I, Mr President, thank Mrs Christian again for seconding clause 1. Mr Lowey, I do not have to hand about 'substantially repeats,' so I will bring that back at the third reading, where there are slight differences. Dr Mann's point has been answered, I think, by the learned Attorney.

The President: The motion then, hon. members, is that clause 1 do stand part of the Bill. Those in favour please say aye; against no. The ayes have it. The ayes have it. Clause 2 and the schedule.

Mr Crowe: Clause 2 introduces the schedule which makes minor amendments to the 1988 Act. Principally it adds references to communications by a courier services to references to communications by post to ensure that letters sent by courier can be intercepted in the same way as letters sent by post. Some of the changes are also consequential on the renaming by the Post Office Act 1993, which obviously was later than the Interception of Communications Act 1988, of the Isle of Man Post Office Authority which is now called the Isle of Man Post Office. Paragraphs 2, 3 (b) and 6 (a) are consequential on clause 1 and paragraph 8 (b) deletes a spent amendment. Mr President, I beg to move that clause 2 do stand part of the Bill.

The President: Mrs Christian.

Mrs Christian: I beg to second, Mr President.

The President: The motion, hon. members, is that clause 2 do stand part of the Bill. Those in favour please say aye; against no. The ayes have it. The ayes have it. We will take the final clause, Mr Crowe.

Mr Crowe: Clause 3 gives the Bill its short title. Would hon. members note that no commencement provision is included. The Bill will come into force immediately on Royal Assent being announced at Tynwald and this is the Interpretation Act 1976, section 10. Mr President, I beg to move clause 3.

Mrs Christian: I beg to second.

The President: Seconded by Mrs Christian. The motion hon. members is that clause 3 do stand part of the Bill. All those in favour, please say aye; against no. The ayes have it. The ayes have it.

Electricity (Amendment) Bill — First Reading Approved

The President: We turn then to item 6 on our order paper, the Electricity (Amendment) Bill, for first reading. I call on the hon. member, Mr Lowey.

Mr Lowey: Thank you, Mr President. The Electricity (Amendment) Bill is intended to enable the Manx Electricity Authority to lay gas pipes for the purpose of supplying gas to its generating stations. Hon. members may be aware that following the announcement made by the Irish Government that the SIPS 2 scheme to provide additional gas supplies from Scotland to Ireland is to proceed. There are now three options available for a supply of natural gas to this Island. Two of the options would bring gas from east coast sources and the third would bring gas by means of a spur pipe from the SIPS 2 pipeline to a west coast landing point. Were the option of bringing natural gas from the west to be implemented, then this Bill would ensure that there are no insurmountable barriers to the laying of gas transmission mains from a west coast landing point to the Pulrose Station. Without such legislation being in place, it is unlikely that natural gas from SIPS 2 could be brought to Pulrose by October 2002, which would be necessary to meet the Island's future electricity demand requirement. Could I draw members attention to the quarterly report that has been issued lately which shows the demand for electricity and the way in which it is growing in quite dramatic form. The figures there are really worrying. It is imperative that the MEA is given these powers in the national interest, as without them the authority would in practical terms be unable to pursue the SIPS 2 option as it is of the view that it would be unable to secure voluntary agreements with all the necessary landowners to lay a gas transmission pipe from a west coast landing point to Pulrose in the very limited time available to it. If the MEA cannot be confident that it can meet the deadline for making gas available for generation purposes from a west coast source, then it must pursue the significantly more expensive and potentially technically more, and that is

the point, technically more difficult east coast option. Hon. members will be aware that the MEA already has powers under the Statutory Boards Act to acquire land or rights in land compulsory for the purpose of any of its functions and this Bill, by making the laying of gas pipes a function of the MEA automatically gives it that power for that purpose. Therefore, where the authority was unable to agree voluntary way leaves with a landowner or landowners within the limited timescale available, it could compulsorily purchase land or rights in land under the provisions of the Acquisition of Land Act, any such compulsory acquisition being of course by resolution of Tynwald. Hon. members will want to be aware that this Bill also empowers the MEA to place other apparatus on land along with the trunk gas transmission pipes. These powers allow the deployment of low pressure gas supply pipes, conduits for carrying electric lines and electrical plant and conduits for carrying telecommunications apparatus. These powers are also important as they enable such equipment to be deployed without having to dig more than once and therefore enable significant cost savings to be gained. Mr President, I beg to move the first reading of the Electricity (Amendment) Bill.

The President: Mr Waft.

Mr Waft: I beg to second, Mr President. I would just like to mention my concerns about the three options. The MEA have known about these options for a long time. We missed the boat the last time the gas went down past the west of the Island and it is about time they got their act together and made some decisions and followed the course. I am inclined to think about the blacksmith and the last seems to spring to mind. The blacksmith should stick to his last and to have the MEA laying gas pipelines, I would hope that they would get the necessary people in to do it for them. There are some concerns in that area but I am sure they will be adhered to. Thank you, sir.

The President: Mr Delaney.

Mr Delaney: Obviously I welcome the options on that but here, of course, we always were talking about coming, at the shortest distance, 11 miles across the Island, which is going to encompass a lot of our land mass. I am interested in the regulations covering the compulsory purchase of land, which is a separate Act but nevertheless gives them statutory rights under the law. I am looking at the possibility where some of it may be updated bearing in mind how many people it is going to affect going across their land. I have been asked to look at this one and I will be looking at it because some people, maybe rightly or wrongly, feel that they do not get a proper deal when they come to national institutions such as electricity in relation to the real value of the land being taken for use from them by this power as given to the authority. I do think the Bill is necessary, but I do think that may be it might be an opportunity to update it.

The President: Mr Crowe.

Mr Crowe: Thank you, Mr President. Having three sources of supply of natural gas is very good. It is a bit like waiting for a double decker bus and then three come along. It is very good but I am interested really in the extra ability to lay telecommunications equipment. The day might come when the MEA moves into cable TV or telecom services. It is quite an interesting development and I think this Bill actually, by widening the scope of the statutory undertakers to dig up the roads and land to allow other than their own service, whereas the water can be only put in water pipes and the MEA can only put in electricity pipes, but now it is sensible to have a wider ability to put more than one type of equipment into a trench that has been dug up, whereas we all know in the past how roads are dug up once and then relaid and dug up again a week later. So again, I am supportive of this.

The President: Mr Attorney.

The Attorney-General: May I just point out, hopefully by way of clarification for the hon. member, Mr Delaney, that in relation to the powers to obtain land and to pay compensation, this procedure will be governed by the Acquisition of Land Act 1984, which has actually only recently been amended. Of course rules for assessing compensation and going to arbitration are dealt with within that statutory framework. Could I also point out in relation to the point raised by the hon. member, Mr Crowe, that this Act will not enable the Manx Electricity Authority to supply gas to consumers or indeed to lay telecom cables and so on, it simply provides a power to acquire land and to lay pipes in the land with a view to supplying gas to its electricity generating station at Pulrose. I think, Mr President, everyone is concerned that statutory undertakers should not wander outside their ambit and their expertise.

The President: Dr Mann.

Dr Mann: Mr President, could I just raise one point with the Attorney, the reason for having this Bill is because it is needed by 2002, but if one mentions the procedures of the Land Acquisition Act you would be past 2002 before you get that. Has the MEA the right, while the proceedings are going through for land acquisition under the Land Acquisition Act, to actually put the pipeline in?

The President: Mr Attorney.

The Attorney-General: Mr President, just speaking from memory about that legislation, I think that the point is that the land could be obtained compulsorily so that the MEA would become the owner of it. The compensation would be fixed later. So the ownership would pass but compensation would be fixed later.

Mr Delaney: My point is that originally, like, the Water Board had a water pipe. That was for everyone's benefit but now we will have a commercial undertaking operating through that piece of land which puts another value on the land, which does not seem to be covered, because that land would then be used by private companies to generate profits. Is that valuation, what it is valued, included in that part in the Land Acquisition Act for third parties who are going to make profits from the use of that piece of land as well. It is a small point, if you like.

The Attorney-General: Mr President, I would not want to comment in detail without researching it, but I recall that the amendment to the legislation was designed to cover that very point.

The President: It just strikes me that the exceeding 50 metres on either side of a pipeline 'seems to be a huge amount. Every 40 yards down the line they have got an acre of ground. Do you wish to reply, sir?

Mr Lowey: Well, not really, but I would thank the hon. Attorney-General. Could I just briefly on Mr Waft's point, whether we missed the boat or not, there are three options available. One is technically more difficult from the east coast. The west coast seems to me to be the preferred route. Mr Delaney, I think the Attorney has mentioned that. Water and electric, it does seem sensible to me, if you are disturbing the land, to put the conduits in, I think it is a sensible way of dealing with that. Mr Crowe, the extra ability, again, the country needs power. We know that we are going down the line of gas generation and, as the Attorney has said, it is not for the remit of the Electricity Authority to go into selling gas commercially but it does seem sensible, if you are putting in a supply to the power stations, that if the private suppliers of gas wish to tap in, that is a matter for later down the line. At the moment it is purely on the production of electricity power for the Isle of Man that this is required. There is an urgency to it, so I would beg to move the first reading of the Bill, sir.

The President: Hon. members the motion before us that the Electricity (Amendment) Bill 2001 be read for a first time. Those in favour, please say aye; against no. The ayes have it. The ayes have it.

Now, hon. members, that concludes our order paper for this morning. Council will now adjourn until Tuesday 29th May, Tuesday next, at 10.30 again here, hon. members, thank you very much.

The Council adjourned.