

**REPORT OF PROCEEDINGS OF
LEGISLATIVE COUNCIL**

**Douglas, Tuesday, 27th February 2001
at 10.30 a.m.**

Present:

The President (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 Mr T A Bawden, Clerk of the Council.

The Lord Bishop took the prayers.

Food (Emergency Provisions) (Amendment) Bill — Third Reading Approved

The President: Hon. members, we turn straight to our order paper and we have for third reading the Food (Emergency Provisions) (Amendment) Bill. I call upon Mr Crowe.

Mr Crowe: Thank you, Mr President. This Bill amends the Food (Emergency Provisions) Act 1986 to provide powers closely based on part 1 of the UK's Food and Environment Protection Act 1985. As advised at earlier readings, biotoxins in toxic algae have been spreading closer to Manx waters, and this Bill will enable the department to prohibit fishing in areas which have become infected with those biotoxins. In order to identify that any shellfish are infected, samples of shellfish will need to be taken from the fishing grounds identified by the marine laboratory in Port Erin and sent for analysis to the marine laboratory in Aberdeen. If any toxins are found, then the department will have powers to designate areas where fishing would be prohibited, even outside Manx waters.

As mentioned at the clauses stage, the Bill removes officers' powers of entry in relation to vessels outside Manx waters but they will still be able to check landings in the Island from both local and foreign vessels. The Bill does have wider powers than those regarding fishing as the Bill enables the department to make emergency orders in response to any circumstances in which food may become polluted.

Mr President, I beg to move the third reading.

The President: Mr Kniveton.

Mr Kniveton: I beg to second, sir. I believe it is quite correct that we should, through this Bill, provide legislation to protect our shellfish industry. We have been told by Mr Crowe just a few moments ago that biotoxins have been creeping closer and closer to our fishing grounds. Thus this Bill will enable the department to prohibit fishing in infected areas. I also note that the Bill will apply not just to seafoods but to any foodstuffs defined under the Food Act 1996 - that is, foodstuffs which could be imported into the Isle of Man by any means. Of course I do fully support this Bill and I believe that today's crisis of foot and mouth disease showed to us how regulations are essential to maintain and hopefully protect in this case our farming industry. Thank you, sir.

The President: Mrs Christian.

Mrs Christian: Mr President, the Bill should be welcomed on the grounds that it protects human health, not just fishing grounds, and, whilst we are normally in the business of dealing with manmade pollutants, in this particular case we are dealing with a naturally occurring toxin but I think that any steps that we can take to ensure that people are protected from these problems, whatever the source, should be supported and to that extent I do support the third reading.

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

Mr Crowe: Mr President, could I just thank Mr Kniveton for seconding and supporting the Bill and also Mrs Christian for her comments.

The President: Hon. members, therefore the motion before us is that the Food (Emergency Provisions) (Amendment) Bill be read for a third time. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Local Government (Miscellaneous Provisions) Bill — Third Reading Approved

The President: We turn then to item 2 on the order paper, which is the Local Government (Miscellaneous Provisions) Bill, again for third reading and again Mr Crowe to move.

Mr Crowe: Thank you, Mr President. The Bill covers quite a variety of amendments, so rather than generalise I will take them as they appear in the clauses. So included in clause 1 are amendments to the provisions of the Local Government Act 1985, which allows for the alteration of local government boundaries and includes supplemental and inconsequential provisions. At present any order to alter a boundary is subject to a public inquiry and to Tynwald approval so there is no change to the format but it does give some extra issues covered and these include transitional relief for rates, transitional provision for registers of electors and changing the exercise of functions by one public authority on behalf of another.

Clause 2 is a straightforward item which enables the present four pence rate limit on entertaining to be varied by order of the Department of Local Government, and if a local authority has a difficulty it just asks the department so each authority can be treated separately. It is not a blanket change; there would be one amount for all authorities.

Clause 3 gives local authorities, subject to the approval of the department, to provide offices and premises for certain bodies and this includes other public authorities, partnerships of local authorities, charitable organisations, doctors, dentists, opticians and other services of a like kind. I understand that Malew Parish Commissioners will be the first local authority to utilise these provisions. They have a project ready to get under way.

We did add in another place clause 3A which gave the department increased powers regarding removal and disposal of abandoned vehicles.

Clause 5 is to correct an error in the Public Health (Amendment) Act. This concerns section 9(1) regarding the Building Control Act 1991, which enables a local authority by notice to require the owner or occupier of a ruinous or unfinished building to repair, complete or demolish it and the important thing is that it changed it to within 21 days after service of the notice.

Clause 6 raised some comments at the clauses stage and I will respond to the questions that were raised in there, but the broad thrust of this clause is to enable the fixed penalty for

dropping litter, currently £10, to be varied by order made by the department but subject to Tynwald approval. Mr Delaney raised certain issues and these covered how many prosecutions had been made in terms of the 1972 Litter Act and in 1994 there were four prosecutions, in 1995 two prosecutions and in the years 1996, 1997, 1998 and 1999 one prosecution for each of those years. Mr Delaney next asked who can instigate a prosecution, and I would advise that section 2 of the 1972 Litter Act provides that the Act should be enforceable in the name of and at the suit of any of the following, namely: the Attorney-General, the Chief Constable or any other police officer or, for an offence committed within the district of a local authority, that local authority. The third question was, does this change in the Bill to a higher penalty for litter offences signify a greater intention to enforce the law? I asked the department to consult with the police and they have advised that they are supportive of new initiatives of this sort, and when the new regulations and higher penalties are approved by Tynwald the police force intend to run a publicity campaign to raise the profile of the offence.

Clause 7 gives the Bill its title and will come into force on the day on which Royal Assent is announced to Tynwald. Mr President, I would like to move the third reading of the Bill.

Mrs Christian: I beg to second, Mr President.

The President: Mrs Christian seconds. Mr Delaney.

Mr Delaney: I thank the mover of the Bill for getting that response to my questions at clauses stage, but I do want the Council to note the fact that the one prosecution in the three years he has specified. . . The fact that the Attorney-General can instigate this I think we would expect; it is actually the police who are on the ground and local authority officers. It seems to me that that is the area we should be looking at. A publicity campaign is not actually going to make any change in the fact that anyone who drops litter will drop the litter; I just do not believe that. What we need, if people are doing it, is to prosecute them and it is quite obvious from the answer given by the member that although this Bill increases the fines it actually will do very little to actually improve the situation the rest of us have to suffer with the rubbish being dropped around the Isle of Man, and I want the member, if he will just give me an undertaking, to go back to the department and say the answer in relation to police giving it a higher profile gives no satisfaction at all. What we need is people to actually police it and there is no local authority officer I know who has actually brought a prosecution, so I think the member has done a lot of work and he must be as frustrated as I am to see us passing legislation which has no teeth at all, Mr President.

The President: Hon. member Mr Lowey.

Mr Lowey: Just to comment particularly on clause 3, which allows the local authorities to provide buildings for community projects. I would urge the hon. member that if and when the Bill is passed today we can see it before Tynwald at the earliest opportunity and it is not lost in the in-trays of the administration.

The President: Mr Waft.

Mr Waft: I just wonder, Mr President, if maybe the Attorney-General could clarify the situation when there is a possibility of a problem with any situation such as this. I am looking now at the power to inspect records and take samples et cetera; I just wondered how that

relates with the Data Protection Act when it says, ' . . . may require the person by whom or on whose behalf the computer is or has been used or any person having charge or otherwise concerned with the operation of the computer apparatus or material'. Where does the Data Protection act come into protecting people who are on computerised records and an officer goes in and demands to see such records? Where does that relate to the situation? We hear a lot about data protection issues.

The President: Mr Kniveton.

Mr Kniveton: Yes, thank you, Mr President. Just three points. I think clause 3A, the new one introduced, is an excellent clause. I think it is essential and it is very much required. The question of abandoned vehicles here there and everywhere - that is what it is all about, and we must keep them cleared.

Secondly, the additional increase in penalties for litter as referred to by my hon. colleague Mr Delaney. The clause is okay if it is policed. He is quite right and 'if' is the operative word; unless it is policed we are wasting our time on this one.

Finally, clause 5 regarding a local authority to require the owner or occupier of a premises or ruined premises to complete, repair or demolish it. Now, I am going to ask the hon. mover here, whether through this Bill or through present legislation, can he confirm that we do have - and I am sure Mr Lowey and Mr Delaney probably know all about it - two terrible properties on Douglas promenade, the Friendship Hotel, and I looked at it closely this weekend: windows are broken, windows are open, curtains fly out through the windows, pigeons are flying in and out and yet we expect visitors this summer season to live next door and within that area. Secondly, if I may, the same question is asked regarding the Shaftesbury Hotel on Central Promenade which, if I am right - and I would like the hon. mover to check - is no longer an hotel; it is a builders' yard-cum-store. I am not going to name names or anything, but I feel that I have to ask, does this Bill assist somebody in clearing up these two eyesores on Douglas promenade which are totally against our tourist industry and do nothing whatsoever to help?

Those two points, sir, I would like cleared and I look forward to a reply. Obviously I do support the Bill. Thank you.

The President: Now, before I invite Mr Crowe to reply to the debate, perhaps, Mr Attorney, you would like to comment in relation to the Data Protection Act in clause 4 raised by Mr Waft?

The Attorney-General: Yes, thank you, Mr President. One of the fundamental principles of the Data Protection legislation is that a person's data - that is, the data relating to him - which are retained on a computer are protected from unauthorised disclosure to third parties. But there is an equally important provision and principle, that law enforcement officers are entitled to have access to data on a computer if they are enforcing a provision in relation to law enforcement, and, as it seems to me, this section in clause 4, which will amend the Public Health Act, does enable officers to have access through the computers and so on with a view to investigating alleged offences, and that, I think, is entirely consistent with the broad principles and structure of the Data Protection Act, so again it is not anybody who can come along and have access to a person's records on a computer; as I say, the Data Protection Act is designed to protect that, but if there is a suggestion on reasonable grounds that an offence

has been committed, then it is equally important that law enforcement officers should have access to those records.

The President: Mr Crowe to wind up the debate then.

Mr Crowe: Thank you, Mr President. Can I thank Mrs Christian for seconding the third reading and I thank Mr Delaney for the points that he has raised. If I could just clarify: the power in this Bill is to increase the fixed penalty notice. There is power within the 1972 Act to fine people up to £2,500. Now, maybe that should be increased, but I will certainly go back to the department and ensure that we write to the tourism department and follow it up with the police so that we can make sure that when the penalties are increased in value, subject to Tynwald approval, the police will start to more actively enforce this. Interestingly enough, we had a member of the public come into the department suggesting that the 'Cleansweep' project that we had a few years ago should be reinstigated, and again that is something I will bring back to the department to look at.

I thank Mr Lowey for his comments. Again he does not want this just to sit in an in-tray somewhere and not get some action taken over litter which is a serious offence, and I thank Mr Waft for his point. Again if I can just add on clause 4 - I know the Attorney-General has answered the question on the Data Protection Act - I know the Manx National Farmers Union through Mr Radcliffe raised concerns and I will confirm that it will remain the department's policy to seek the approval of the landowner before entering land or their premises except in special circumstances where it would not be in the public interest.

If I can just move on to Mr Kniveton's point, again he is supportive of the abandoned vehicles and extra powers to get rid of vehicles abandoned on the roads, and again he wants to see that the litter problem is more effectively policed. As far as Douglas promenade is concerned, again the power is in section 14 of the miscellaneous provisions Act to make sure that untidy and unsightly buildings are cleaned up. Now, I know Mr Kniveton mentioned the Shaftesbury Hotel to me earlier this week, and whether he had an influence or not on the owners but they were certainly there on Sunday with a hoist painting the front of the building white and black where it had been all black, so whether you. . .

Mr Delaney: The whitened sepulchre!

Mr Crowe: I had no influence on that! I went past yesterday and it certainly looks a lot better today - white and black rather than all black. So I think that covers everything, Mr President, so I will move the third reading.

The President: Hon. members, the motion before us is that the Local Government (Miscellaneous Provisions) Bill be read for the third time. Those in favour please say aye; and against, no. The ayes have it. The ayes have it.

Online Gambling Regulations Bill — First Reading Approved

The President: We turn then to item 3 on our order paper, the Online Gambling Regulations Bill which is down for first reading, and I call on the hon. member Mr Lowey.

Mr Lowey: Thank you, Mr President. The Online Gambling Regulations Bill provides an important opportunity for the Island to benefit from a growing e-commerce market. The Isle of Man is ahead of the competition and is in an advantageous position from which it can benefit by attracting the best of the industry to the Island by providing a well-regulated jurisdiction.

The Bill will permit gambling on the internet and similar forms of online and interactive gaming to be regulated. Tight regulation is the key to the success both for the companies providing services and for the Island itself.

The Bill will provide a secure regulatory regime involving the newly named Gambling Control Commission, the Financial Supervision Commission, the Data Protection, Customs and Excise and the Isle of Man Constabulary.

Licence-holders will only be permitted to offer games that are approved by regulation. Moreover, not all games will necessarily be available to all licence-holders. This will ensure each licence-holder is competent to provide each game.

The number of licences will initially be restricted to three to avoid overburdening the new regulatory system whilst it finds its feet. However, the Council of Ministers is provided with the power to increase the number of licences as it is more likely more licences will be required as time goes on.

Companies will have to be registered in the Island; their designated officials will have to be resident here and licence-holders must maintain sufficient financial reserves here. Regulations will protect players' privacy, prohibit sales to minors and residents of jurisdictions where internet gambling is currently not permitted, and it will also prevent money-laundering.

There are also other player protections within the Bill such as contracts being enforceable in law, codes and advertising, inaccuracy of website claims and regulations governing the conduct, fairness and probity of gambling on the site. The regulator will also have rights of entry and powers of inspection to inspect software and all gaming transactions.

The regulatory cost will be more than covered by the three £80,000 licences proposed and, in addition, income will be derived from a percentage of the gaming yield - the rate is to be decided by the Treasury - and from taxation of company profits.

The Bill's emphasis is on regulation to attract only the best in the industry and protect the Island's reputation for probity. It will extend the Island's economic base and will bring a large additional source of income into the Island without increasing the demands of the employment market. The Bill will ensure that the Island is a world-class leader in the regulation of internet gambling. Mr President, I move the Bill be read a first time.

The President: Mr Delaney.

Mr Delaney: Just a couple of questions. I have nothing against this Bill; it needs to be regulated, as we all know. Just a couple of points on the -

The President: I take it, Mr Delaney, you are seconding it?

Mr Delaney: I am seconding it, yes.

The President: Thank you.

Mr Delaney: I am happy that we have regulations but I just want a couple of points cleared up for questions I was asked myself.

In relation to the £220,000, which is the cost of the running of this, how much are we talking about charging people for the licences of the three operators who have applications to

operate at the moment? The second question is on the money-laundering side: if you are sitting in France and you have got here in the Isle of Man a £50,000 account and you want to place a £10,000 bet, if you do that £10,000 into a bank the bank manager wants to know where you got the £10,000 from, virtually, but I take it the operator of the licence of the Isle of Man internet gambling does not have to ascertain where that £10,000 came from. So I am just trying to find out, from the punter's side of view and the money-laundering side of view, how much information he has got to have about where the money has come from for him to place a £10,000 bet. That is the second one.

The third one is dealing with the situation of the duty. I know this does not cover it in this Bill but, as the world becomes a big stage player in this depending what gambling duty you pay is where you are going to place your bet, some have got down to zero. How are we positioned in the Isle of Man on this? It is pointless having this if some other jurisdiction on the internet, which is universal, virtually, is not paying any duty on the bet. Will there be any duty on internet gambling? If there is not, who is going to bet with us when the same applies somewhere where there is not any duty?

The President: Dr Mann.

Dr Mann: I support the concept of this Bill but I have to question in my own mind whether in fact there is anything at this moment to stop any organisation setting up this internet gambling under the existing legislation, and are there already operators doing this and, if so, what is going to happen when we introduce the regulations?

The President: Mr Radcliffe.

Mr Radcliffe: Thank you, sir. I support the Bill that is before us. I do not support it because it is gambling or the offshoots of gambling, I support it because gambling needs to be regulated (**Mr Delaney:** Hear, hear.) and you have got to be fairly firm on this.

The hon. member Mr Delaney has raised one point which intrigues me rather: that in this Bill committing quarter of a million pounds, as near as makes no difference, for the costing of the Bill; three operators only are going to meet this quarter of a million, so it says in the green part here, and I do wonder whether everyone seems to expect a well with no end of gold down in the bottom of it on this particular one, but I do wonder whether the prices that we will be required to charge for licence fees will half kill the whole effort before it gets off the ground anyway. It is all right charging a reasonable fee, perhaps, but we are in competition with other jurisdictions here, we must remember, as well, I mean, we are not the only one that is going to facilitate this sort of thing and the operators are quick to look around and wherever is the cheapest area to operate from will be the one. I just wonder whether we will get all that is going to be anticipated out of this particular project when it does come, I have got to say. I was going to say 'if it comes' but it is 'when it comes,' I feel quite sure.

The President: Lord Bishop.

The Lord Bishop: Yes, Mr President, we all know the wonders of the internet and we also know the dangers of the internet (**Mr Delaney:** Hear, hear.) with pornography and the way that the villains will always use some method to achieve their own ends. I wonder if the mover can supplement the confidence he has in the fact that we can legislate or monitor the legislation

on an internet basis to make sure that people like minors or those at risk and others are catered for.

The President: Mrs Christian.

Mrs Christian: Yes, Mr President. I think that there are some indications out there that there are people who are anxious to get licences for this sort of business, and I would agree with the comments of members who have said that it is important that it be very well regulated. (**Mr Radcliffe:** Hear, hear.) I think that offers attractions to both sides; it offers attractions to the punter because they know if it is a regulated business they are likely to be paid out their winnings, whereas if one just places something on the internet or buys something on the internet without having regard to the regulation or security of a particular site, you might be sending resources off into the ether never to be seen again. (**Mr Delaney:** Hear, hear.) So I think that having a regime which regulates the gambling on the internet will offer some attraction to those who want to gamble, but it is important, I think, for the Island's reputation that it is extremely well regulated and that these people know their customers under the ordinary requirements of banks and so on in the financial sector in relation to money-laundering because it would be extremely regrettable if an avenue such as this were to sully the work that has been going on in relation to applying a regime in the Island which does its best to eliminate using the Island as a conduit for money laundering.

So I support the Bill and hope certainly that the regime will be firm enough to make sure that the Island's reputation is maintained.

The President: Dr Mann.

Dr Mann: Yes, my reason for questioning what is possible now and what will be possible under the new regime set out under this Bill comes from reading an account of a company that claimed to have set up in the Isle of Man in the financial papers in the UK that claimed that they were not interested in attracting any of the punters from the Isle of Man; they were going to operate purely and simply on an international basis. Now, does that mean that there is a difference between a company operating here and not involving anybody resident in the Isle of Man and one that does involve people resident in the Isle of Man, because that was set out quite clearly in this article in the financial press which said that this company was not interested in dealing with local punters?

The President: Mr Waft.

Mr Waft: Yes, Mr President, it is a long time since the bookmakers in Douglas and elsewhere on the Island had 10 shops and were only allowed to advertise with letters of no more than three inches high in the window; they certainly were not allowed anybody under the age of 18, they were not allowed to have any betting slips on the floor, they were inspected annually, they had to have three references every year, they had to pay their tax in advance prior to the money actually coming into the shop - it is a big cry from that situation to this. But we talk about online betting and money laundering and I just wonder at the situation, when someone picks up the phone and gambles, whether it is £5 or £50,000, on an online gambling situation, how the money-laundering situation has any input into that. I know gamblers are usually a very sensitive group of people and if they were to think that the details of their gambling over the years is going to be passed on to someone else it would certainly

make them look for another way to gamble. It is a situation that is, I think, fraught with problems.

I am in favour of it but I do think it needs to be tried and tested, perhaps, but I think we need to keep a very close eye on the situation. Thank you, Mr President.

The President: Mr Crowe.

Mr Crowe: Thank you, Mr President. Yes, it is an interesting concept, isn't it? I think we are not going to stop people gambling worldwide. Wherever you live, whether it be China or New Zealand, you will want to gamble on the internet. Now, I think what Mr Lowey's Bill is trying to do is say, 'Well, look we do it through the Isle of Man at least you have to have substance and a presence and have financial resources' so we would operate responsible operators. I think what we are trying to protect is the good name of the Isle of Man. I take Dr Mann's point that we could have a phone number in the Isle of Man and people have it diverted to Costa Rica or Cayman or whatever; it is how you weed out the transmission of phone calls via the Isle of Man to somewhere else; I think that might be a slight problem, but I think the principle seems to be fine.

The President: Mr Lowey to reply.

Mr Lowey: Thank you, Mr President. Yes, I thank all the members who took part, because the Bill does highlight the genuine concerns, not only the genuine concerns of members of this Council, which I share, but also the members of the Department of Home Affairs and also, I am sure, the Council of Ministers. But again, taking Mr Crowe's point last, if I may, 'why come to the Isle of Man?' well, the same could be said exactly for light industry: 'why come to the Isle of Man?' and yet, when we started to develop that side of it, who would have said, 'Coming to the middle -' and of course we had in those days a workforce that was able to adapt to change in technology, it was keen to learn and we could sell that, making diamonds, slippers for Marks & Spencers, the wide aeroplane parts - you name it. There is no justification, really, for locating that sort of business on an Island in the middle of the Irish Sea when you can do it on the mainland with the all the transport things, so there are advantages. The advantage of this sort of gambling is, as Mr Crowe has said, it is going to go ahead, and the facts of the matter are in this particular type of gambling with the new technology it is reported that it has grown from £1.3 billion to over nearly £7 billion in the space of four years, so there is a growth market there for the Isle of Man and what does the industry want.

Now, the Isle of Man scores brownie points in research. We always try to find out what the customer wants, what the people who are providing that service want, and then try to provide it within legislation. The punter wants somewhere they know they can gamble with security and they feel comfortable with. It is again, to use the phrase from the government, we are after quality business; that is why we want to start small with quality people in the business and that is why there have been talks with them to find out what they want, what the market requires and marry the two together. This Bill proposes to do just that.

If I can come to Mr Delaney, the proposal is that the first three licences will be granted at a fee of £80,000 each, that is a simple mathematical formula that is calculated. Will it cover the cost? We believe it will cover the cost and we believe that the industry will be prepared to pay that to be at the forefront in a well-regulated industry. Of course they would like it for nothing, I am sure they would, but that is the fee that has been fixed and will be fixed.

Regulation and 'how will you be able to prevent laundering?' Well, that is why the group of people who are in consultation in drawing up the regulations includes the police, include the data protection, include the customs and excise and the regulations will be drawn in such a way that it will be, 'know your customer'. They will have to be registered et cetera and that will all be done by regulation.

Dr Mann says that at the end of the day if the regulations on the tax and the amount of take that will be taken, that is a matter for the Treasury who will be involved in that. Again, nothing new in that. When we started the finance industry, Treasury had three or four attempts to get the. . . And I know my hon. friend, the Chairman of the Insurance Commission, knows we had four or five attempts to fix the right fee; we started here and we came down but we eventually got it right, and we are now picking many apples of that fledgling, but we did not get it right first time. But we did after consultation get it right, so I am quite confident in the Treasury searching this, because there is an old maxim, 'Half of nothing is still nothing.' so this is an attempt if you like to see a market and to put an Isle of Man presence in that market place that has got tight control and well regulated. That gives confidence to the punters, gives confidence to the people who are operating this business, as Mr Crowe said. We have gambling whether we like it or not and this is a growth area, and we think that this Bill will give a framework for that to operate satisfactorily. We think we should be in at the start and we are not only in at the start, we are ahead of our competitors, we are in competition worldwide and this is another opportunity for the Isle of Man to get a foothold in it.

Mr Radcliffe mentioned, 'How will we get it right?' Well, I have already mentioned that we are talking with the industry, with the police and with the professional side from our side in round table talks putting into place the bricks that will actually make a jurisdiction where people will want to come, and I have spelt that out.

My Lord Bishop said we all know the benefits of internet and e-commerce - I wish I did! I do not know the technical details of how they will do it, but I have enough confidence in the people that are operating on our behalf, i.e. from Home Affairs, that they know how the system works and the safeguards that have got to be in. We lay down the strategy of what we require and they will be fitted into the regulations.

Mrs Christian did again mention what I have already said - a well regulated jurisdiction. What we would hate to have - and I do not wish to be insulting to my Commonwealth brother countries - is a situation where the Isle of Man is regarded as a 'letter from Nigeria' jurisdiction. (*Mr Delaney interjecting*) But the Isle of Man has got a good reputation for well-regulated industries, whether it is the shipping industry whether it is the finance industry, an international reputation, and I can assure you the government is not keen to put that in jeopardy by having loose regulations on gambling.

Yes, Mr Waft says we have come a long way from the 19th century; you are absolutely right. I remember well going into my first bookmakers. I was on a select committee of another place and we went down to the place near what used to be 'The Dogs' Home'; there was a bookmakers in that particular street and you turned your collar up and you walked in almost apologetically! Of course, all of that has changed now, you are encouraged to stay, you are given tea, there are television screens, you are encouraged to stay in the place. At one time you were only allowed to go in, put your money down and retreat quickly. But the truth of the matter is, gambling in the 21st century is by the forms that are available. It used to be

telephones; they are out of date now - well, the telephone is still a major part of how they do it and, as I have said, the numbers of this type of gambling has been estimated by the industry to have grown in the last three years from £1.3 billion to nearly £7 billion; it has increased sixfold, and so there is a huge market out there. I repeat, 'Why come to the Isle of Man?' as Mr Crowe says. The answer is obvious: we have got to make it well regulated. We are ahead of our competitors and so this legislation, I think, meets those requirements and I would urge the House to give it a first reading. I beg to move.

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

Retirement of Mr Arthur Bawden, Clerk to the Council

The President: Now, that concludes our order paper this morning. Before we do sit in committee this morning, hon. members, I think today is the last time that Arthur Bawden, our clerk, will officially sit with us and I would like to record our gratitude for the manner in which he has carried out his duties. (**Members:** Hear, hear.)

Arthur has served Tynwald, and particularly the Legislative Council, for now well over 24 years. Always a gentleman, his sense of tradition and his loyalty in particular to the parliament of the Island has been paramount for a large proportion now of his working life. I think that goes without saying when in fact he has served us for close on 25 years.

Never one to be exuberant, nevertheless his sense of theatre has been ever present even if only formally announcing 'Mr President' to Tynwald Court, and I am sure that on his retirement he will enjoy yet many more occasions taking the leading role when walking the boards in many plays.

Arthur has not only served us here in the Legislative Council with distinction but has also served many committees of the legislature where his down-to-earth and straightforward, honest advice has been heeded by committees on many occasions. I know, hon. members, that we all wish him and Rosemary very many happy years in his retirement. (**Members:** Hear, hear.) Mr Lowey.

Mr Lowey: Mr President, there have got to be some perks in being a long-serving member, haven't there, and it is an immense pleasure for me to second those words. Arthur, of course, is all of those things you have said: he is sound, he is sensible, he has been a confidant to all of us over those years and he does know what makes the Legislative Council tick. There is no substitute for experience, and Arthur has got lots of experience. Home and away that is recognised.

I have to say, being with the CPA, Arthur has acted as rapporteur at the plenary conferences, for the region. His skill at organising very successfully CPA visits here to the Isle of Man and regional conferences are going to be missed too. It has always been highlighted that the Isle of Man visits, seminars and regional conferences are at the forefront. Arthur has organised them. Now, we may make plans but, like all well-laid plans, they have got to be executed, and Arthur has been quite masterful in getting our ideas into action. To that extent as well he has played a very important part in raising the profile of the Isle of Man.

Arthur deserves a long and happy retirement. I am sure he is going to get it. I am sure Rosemary is going to get him back dancing again - I look forward to seeing him dancing! But it is a great pleasure and the greatest compliment we can pay him is that he will be missed.

Members: Hear, hear.

The President: Arthur, would you like to address the Legislative Council this morning, sir?

The Clerk: Thank you, Mr President. I would like to thank you and Mr Lowey for your kind words. As you say, it has been my honour and privilege to spend almost a quarter of a century in the service of this Council. Those years have been happy years and I shall long cherish the friendships which have been forged during them not only in the Island but, as Mr Lowey has said, all over the world.

Given my antiquarian interests, hon. members will understand that I have taken some pride in the fact that the office of Clerk of the Legislative Council is amongst almost the oldest named posts in our legislature. The Clerk of the Rolls originally held it without second appointment and the first distinct appointment was that of John Quayle, Clerk of the Rolls, in 1765, about the same time as the title 'Speaker of the House of Keys' came into regular use.

To hon. members I would say that parliament is, I believe, a service industry with the task of ensuring the best possible quality of life for the people it serves. The responsibility for achieving that objective lies first and foremost with you, the members. We officers have the duty of helping you achieve that objective. I think it is fair to say that Tynwald would no longer exist if, by and large, you and your predecessors and those who have assisted had not been successful in serving the people of this Island well throughout the last thousand years.

I am confident that you and your successors will continue to do so. I trust that the Legislative Council, which I consider an essential part of our constitution and a principal safeguard of the rights of the people, will always have a significant part to play in the process.

If I may, I should like to conclude by echoing the words used by Mr G W Dumbell when he retired from the House of Keys in 1841: 'Guard, I pray you, the privileges that yet remain, and whilst you continue independently to discharge your duty may the Lord guide you in all true wisdom.' Thank you, Mr President. (*Applause*)

The President: Now, hon. members, I think we will also wish to read those words on *Hansard* now that Arthur has just commented to us and I think it is interesting that we get a little comment about the history of the Legislative Council and possibly even the future of the Legislative Council (**Mr Delaney:** Hear, hear.) wrapped into those comments.

Hon. members, the Council will now sit in private.

The Council sat in private.