

## REPORT OF PROCEEDINGS OF HOUSE OF KEYS

Douglas, Wednesday 4th April 2001  
at 2.30 p.m.

Present:

The Speaker (Hon J D Q Cannan) (Michael); Mr L I Singer and Hon A R Bell (Ramsey); Mr R E Quine OBE (Ayre); Mrs H Hannan (Peel); Hon W A Gilbey (Glenfaba); Hon S C Rodan (Garff); Hon D North (Middle); Mr P Karran, Hon R K Corkill and Mr G T Cannell (Onchan); Messrs J R Houghton and R W Henderson (Douglas North); Mr A C Duggan (Douglas South); Mr R P Braidwood and Mrs B J Cannell (Douglas East); Mr J P Shimmin and Hon A F Downie (Douglas West); Hon J A Brown (Castletown) Hon D J Gelling (Malew and Santon); Sir Miles Walker CBE LLD (hc) and Mrs P M Crowe and Mr J Rimington (Rushen); with Mr R B M Quayle, Acting Secretary of the House.

*The Chaplain took the prayers.*

### Apologies for Absence

**The Speaker:** Hon. members, I have apologies for absence for part of the session from the hon. member for Douglas North, Mr Henderson.

### Housing (Special Provisions) Bill — Second Reading Lost

**The Speaker:** We will now continue our agenda at item 20, the Housing (Special Provisions) Bill 2001. Mr Karran.

**Mr Karran:** Vainstyr Loayreyder, there are three basic responsibilities for any government: (1) to feed its people, (2) to defend its people, and (3) to house its people. The one issue that will indict this government and all of us in this parliamentary assembly is the refusal to address the vested interests which have stopped many people from getting affordable decent housing.

We only heard the other week in another place the hon. member for Castletown, Mr Brown, saying he was surprised as a government minister that every time government goes to buy land someone else gets in there first. (*Interjections*)

**The Speaker:** Carry on, hon. member.

**Mr Karran:** It is no surprise to me. The embers of this crisis have been glowing for some time, and the responsibility for these embers has been with a number of people for a long time.

However, the one issue which we have to address is the fact of the blame culture, which is engraved into the chamber and needs to stop, because we have long passed that stage. As far as the people of the Isle of Man are concerned, they want action. After repeated pleas with the Chief Minister over a long time, longer than I care to remember, the reaction of shrugged shoulders is not good enough from the Chief Minister and the government of this Island. I even offered to take over responsibility for housing in this administration, even with the knowledge of being the member for Health.

On the other hand, at the same sitting we heard from the hon. member for Ayre, Mr Quine, stating there is a two-year lead-in time for any new housing development, and he is right, but I do not want to hear in this House of talking about effecting the rights for those who want to object; what this House needs to worry about is the ones who are dispossessed and have not got the rights of basic, decent, affordable accommodation. That is the priority this House should be worrying about today - not the ones who want to object, but those who want a decent roof over their heads.

What saddens me further is the sad repeat of history. Those who are most effected by this crisis at the present time are the ordinary Manx working class. This House has to remember if it kills off my Bill it just gives a bigger and brighter light to the speculators and Rachmann landlords on the Island and the executive have nothing to put in its place but PR exercises which most people despair over.

The time is long passed for whoever is to blame for this political football. What we must do is stop the point-scoring and stop the rhetoric and start the action. We must get down to addressing the issue.

My Bill has two important issues: (1) it speeds up the planning procedure, and the other is it makes it that these houses will never be used for investment purposes as they can never be rented out for more than a council rent and cannot be bought by anyone who is not an Isle of Man worker. So when we see the adverts in the paper such as in recent times, 'Buy the second home', then this would be a situation where these houses would not give a good return as far as that is concerned. It would make it possible for those who have not got big wages to afford houses in our property-owning democracy.

The issue has to be addressed as far as restrictions on some of the housing. This looking through rose-tinted glasses like some members in this hon. House saying 'Isn't it awful? You do not want a two-tier system' - well, if we do not have a two-tier system we are not going to have a property-owning democracy. We have to face the fact that we need houses for homes, for nests and not nest eggs, and this is a way of creating a legislative package for such properties to be built.

The second issue that this Bill addresses is that within 16 months of Royal Assent we could have 65 houses built at St John's of which the three-bedroomed semis would be £85,000, the two-bedroomed terraced houses would be £70,000, and the land value for the development would be something in the region of £420,000.

The second piece of land that I have identified that is in government ownership - I choose the land at Johnny Watterson's Lane, but this legislation could be used on any land owned by government for such a development. In that case we could have 67 three-bedroomed houses built for £84,000, 98 two-bedroomed houses built for £79,000 and 62 apartments built at £65,000. This development could be undertaken by three local builders over the same time period. The bottom line is that here we could have 290 good quality homes for our people within 16 months of Royal Assent. This is something that should have been done four years ago, but that is in the past. However, with the resources of the executive and not just a private member I suggest that we could even do better than what I have tried to negotiate.

Before this hon. House throws out my Bill, what are the alternatives at the present time for looking for affordable decent accommodation? There is nothing sustainable at the present time. My Bill enables Tynwald not to pass more than three resolutions to designated areas for the land to be developed for housing in accordance with this Bill. It precludes the granting of permission, except for the housing in relation to this development of the designated areas. It requires the application for the approval of such developments to be determined without regard to the development plan or existing planning policy. It requires the Department of Transport to adopt any sewage disposal works including any such development - that would help the issue of any development in the Ballasalla area that at the moment has been blighted. It would prevent any housing forming such a development to be conveyed to anyone but an Isle of Man worker other than a public authority. It enables a ceiling to be placed on the rent of such houses that may be let that are built under this development.

I do hope this hon. House will support the proposal in front of us and I do hope that the executive will come up with something more tangible than they have done up to now, because it does concern me. The issue of population control is an issue. The housing crisis is an effect of the lack of a population control, but this political football should not be allowed to engulf us all here today. This is the one thing which will indict this House, Vainstyr Loayreyder, the one issue where all the good work that has been done as far as the economy is concerned, job opportunities are concerned and it is lost because of the housing situation. I do hope this House will support my private member's Bill.

**The Speaker:** Mr Cannell.

**Mr Cannell:** I beg to second and reserve my remarks.

**The Speaker:** Mr Rimington.

**Mr Rimington:** Thank you, Mr Speaker. Yes, I am happy to support this Bill. I regard it as enabling legislation. It really takes on powers which already exist elsewhere and which could be done elsewhere, and it has been explained a number of times, but those powers that do exist elsewhere have not been used, possibly with good reason, but I expect in this case, which I regard as a very serious case, they should have been used. The Bill gives no compulsion for action by passing that, but gives the opportunity for another place to pass a resolution to enact the provisions of it, and I believe it is an honest attempt to address what is a serious housing problem on the Island.

Now, sometimes we have been led to believe that that problem has been exaggerated, and I am sure the hon. member for Ayre is going to come at us with a series of figures et cetera from the good department, explaining how he has not had the responses he expected to have in various quarters et cetera and that the department is doing very well. I do not want to take anything away from what the department is doing and I realise that the department is trying to progress things, but we are at a stage where we need to progress a little faster and a little further than that.

The proof of the situation, I think, is actually what we see on the street now. In last week's *Courier* - we are looking in the property pages - there are hardly any houses there priced below £100,000. The majority are well over. The wonderful digest of economic affairs division social statistics showing the movement of house prices over recent years has taken dramatic leaps. In 1997 the annual median house price was £76,000; in 1998, a small leap, only roughly 10 per cent up to £83,000; the following year to 1999 up by £15,500; the year to 2000 up by £25,500, and that is a dramatic leap in prices, way, way, way beyond inflation. Could we say now, 'Well, that has come to an end, we are at a stable state, everything is cosy and prices are stabilising if not falling'? The answer is 'No, they are not' and I would imagine the 2001 figure is likely to be up another £20,000-odd on that, which is taking housing way beyond real incomes, and that is the problem, that the actual price of housing is way beyond real incomes and the ability of people to pay for that housing, and that is the critical issue.

So it is difficult for people to get onto the housing ladder at the beginning. Obviously moves have been introduced to try and assist and obviously we are all very grateful for that, but those moves do not encompass everybody by any means and there are also people who are in the housing market who are unable to move onwards because the differential between lower price houses and middle range and so on is increasing as well; it is quite dramatic. There is a desperate need to stabilise house prices, like there is a need to moderate the housing market and while there is one thing which I think we must be very concerned about and look to the future, which is the potential for a problem with negative equity, because if prices continue to go up and up and people are forced into that situation of taking out these large mortgages and if, as is likely to happen at some indefinite point in the future, we enter into a recession, maybe nothing to do with the good works that are taking place within our government and this chamber, but through external reasons completely and we enter into a recession, the price of houses goes down and there are going to be an awful lot of people stuck with negative equity, and that is a serious social issue. I think we need to look at that and that is why really I am supporting this Bill, is by the measures that are involved in there, which is that to bring a large number of houses onto the market can have a stabilising influence on the price of houses. It will give Tynwald the power to meet a social demand. It would, in a sense, create a two-tier system; that has been talked about, but that is a reality which exists already. If you are not in the system, there is one tier who is in it and another tier who is out of it, and it is an effective measure to try and bring more people into that housing market.

Now, I am concerned, and I am sure other members are concerned, about what would be the removal of people's planning rights and that is a serious issue which we should not take lightly. Now, these rights might be called 'democratic rights', they might be called indeed 'human rights' and we do value the rights of individuals very highly in our society and they should not be countermanded without good cause, but such rights are not inalienable; they are subject to the general good of society. Extreme examples of that might obviously be in wartime. Luckily we are not in that situation at the moment, but a more modern example and a more up-to-date example is the foot-and-mouth crisis. I am sure, if not necessarily on this Island but in the adjacent isle, human

rights are probably disappearing all over the place in relation to the fight to control that disease, and that is a necessary thing, that is where the rights of the individual are subject to the general good of society, and so it is a question of drawing the line and finding that line where the rights of the individual can be counterbalanced against the rights of society. I would hold that in this instance that the general good of society, the need for affordable housing and to actually do something with the housing market, intervene in the housing market to bring or stabilise prices is worth taking away those individual planning rights.

Now, obviously those individuals who are concerned - their voices will be very sharp and very acute when their rights are taken away, but less sharp and less acute are the rights of those people who cannot get onto the housing ladder, the rights of those people who are paying excessive mortgages, and also the rights of those people maybe in the future who might be faced with large negative equity. I do believe that if we were to go ahead with such measures, then the planning rights or the rights that would be lost by implementing that process can be mitigated by not only the good work of the proposing department, which I presume would be DoLGE, by consultation and consideration of the local residents and their concerns, but also by their local MHKs and also by their local authority, who would no doubt act and make sure that the interests of people who were affected were properly catered for and mitigated.

I do accept that in supporting this legislation, from my own personal point of view it is a contradiction, because I am not in favour of large new estates and that is one thing I am not in favour of in my own constituency, but it may come to be that if land were to be purchased in my own constituency and such a measure was put forward for my own area, then I would have to support it and I would have to live with that contradiction in that the overall good of society outweighs my particular local interest. It does concern me that some of the opposition that has been mounted already to this piece of legislation comes from what I would call a very narrow local constituency position - 'Oh, not in my area; I am not having one of those near me' - and I do believe that people have to look beyond their own narrow interests and say, 'Well, there is a particular social problem on the Island, it is likely to get worse; it appears to be getting worse. We have some sort of obligation to intervene and put something into effect.' Thank you, Mr Speaker.

**The Speaker:** Mr Rodan, member for Garff.

**Mr Rodan:** Thank you, Mr Speaker. I think, of course, we will all very much applaud the sincerity of the efforts of the hon. member for Onchan to try and resolve what is a very serious problem over first-time buyers' housing in particular. It of course is a problem which great attempts are being made to solve by many other people including the department, and I therefore feel that his Bill today is not the correct way to address this problem. I do not see the Bill as either being necessary or the most appropriate way of doing it. I do not think it is necessary for the reason that the new Town and Country Planning Act already allows for the speedy bringing of development orders to Tynwald which give planning permission to land, and in any case the Island's 1982 Development Plan Order also makes this possible at the moment if there is a will to use it.

But I think the main problem with the Bill is the manner in which it is proposed to carry out this designation of land for housing. First of all, the process by which Tynwald is to be asked to determine a designation of land to be reserved for housing purposes appears not to require either consultation or any sort of inquiry. This is not only contrary to established practice, but most certainly is, as the hon. member for Rushen, Mr Rimington, has flagged up, contrary to the European Convention on Human Rights. Article 6 of that says, 'In the determination of his civil rights, everyone is entitled to a fair and public hearing by an independent and impartial tribunal established by law.' So simply to waive aside the rights of potential objectors, neighbours, residents and to give them normal opportunities for input into planning decisions of the sort that will affect them is a non-starter, and I do not see how we could possibly support that.

The other problem, of course, is when you look at clause 2 in the Bill the process by which planning applications would be determined specifically requires the determining body not to have regard to the provisions of the development plan, any statement of planning policy or any considerations specified in a development order including, presumably, the the 1982 Development

Plan Order which sets out the material considerations. So we have no idea from this what considerations would be material, so the whole thing is absurd.

Could I ask the hon. mover whether this is intended to apply to subsequent applications that might come along to alter or extend the property? Are they to revert back to the standard procedures, the tried and tested ones? Similarly, if so, it does not say so -

**Mr Quine:** It is only the principle, not the detail.

**Mr Rodan:** Now, the other question I would ask is that the Bill specifically has it that not more than three resolutions of this particular sort should be put to Tynwald. Now, presumably the parcels of land concerned could either be very small or very large. What does the hon. mover have in mind with this arbitrary figure of three resolutions?

Mr Speaker, the basis of this Bill which supposedly is to enable land to be developed as a matter of urgency seems to me flawed. We have a planning system, but the basis of the Bill seems to be that the present planning system does not do anything except hinder or slow down development. We may all have criticisms of it, but the whole purpose of the system is to facilitate development in the right places, having regard to the rights of the public. The rights of the public in this proposed legislation do not exist, and whatever its faults the present system at least ensures most of the time that development takes place in the right places where it ought to happen, and to the proper standards, and in areas that can be properly serviced and that do not have adverse effects necessarily on interests of public importance, not least the rights of neighbouring land owners and neighbouring properties.

So worthy as the objects are to bring forward land for housing development as a matter of urgency, the whole basis of the Bill, unfortunately, is flawed and I rather fear, if implemented, would lead to the sort of over-intensive, high density developments being shoe-horned into parcels of land that were never foreseen as accommodating that development, with all the accompanying pressure on the surrounding infrastructure, and this is the complete negation of proper planning and I certainly hope the House will reject this Bill today.

**The Speaker:** Mrs Hannan.

**Mrs Hannan:** Thank you, Vainstyr Loayreyder. I am concerned about this legislation because we have had legislation through the House which deals with town and country planning, and what this legislation seems to be saying is that that should be ignored where government owns land and I would like the mover to clarify that situation for me. Just because government owns land it does not mean that it can be developed. There could be land which is owned by government, but it is owned by government for a long-standing reason or whatever and it would never be envisaged that that land would be developed for housing. It might be to safeguard a green belt round a town or village; it might be to provide a town park or a village green or whatever.

I realise that Tynwald has the final say, but Tynwald is not a planning organisation and it would seem from this legislation that Tynwald would have that say whereas at the moment it would be the minister after consultation with the general public and the people affected. If the local people affected by this felt so aggrieved that they wished to take it to appeal, they could take it to appeal for an inspector to look at it, and it would seem to me that this legislation says that that actual procedure does not apply, and I would like the mover to actually explain the actual course of action should this legislation be approved. Is it advertised? Does the public have a say? I know it says that the planning legislation does not prevail, but the member for Rushen said about consultation, local authority and the Department of Local Government and the Environment, but is that just that they are informed of it? I would just like to know how that happens, because at the moment we not only have planning but we also have area plans where people can have an overall say, and surely that is what democracy is about - overall plans and how they affect the actual community in which we live. Certainly in my area we have had area plans which are somewhere in the mid-stuff of being adopted, but they have certainly been commented on, and it is quite a long procedure, and there the land is designated either for development or not as the case may be. It might be for industrial use, it might be for predominantly residential or it might be for business or whatever, and

we all accept that in some areas where it is accepted that that would be business, there would be a straightforward single planning once the whole of the area has received planning, where we have seen in Ballacottier.

The mover also mentioned the cost of housing. With the exclusion, it would seem, of land price - because the land is owned by government to start with - I would like to ask why the cost of these houses is so high, because I would have thought if you do not include land costs, which are quite considerable, then in actual fact, if you have got someone coming along and building, say, 50 or whatever houses and they are only going to take a small amount of profit from that, I would have thought the actual cost of the sort of houses which we are talking about would be less than the member has quoted.

The member for Onchan is not the only person, I would say, with concerns with regard to house, but one of the areas where I think that I would be concerned is that there are some people who cannot afford even the houses that the member is talking about, and he has talked about limited means. There are people who cannot afford that and if government owns this land, in certain areas I would want to see local authority housing being developed so that people who cannot afford the sort of price that the mover is talking about do have an opportunity to live in a house with a garden, with proper community facilities, play areas for children and all of that, instead of maybe a couple in employment where both couples have to work five-day weeks, full day instead of maybe one of the couple working a full day, full week, whereas the other could then work part-time and also have childcare responsibilities, and that is not just the woman, it could be the man that is doing that as well. So those are some of the areas where I feel that I would like an answer to.

I was also concerned with the member moving where he said the sewers would be taken over by the Department of Transport and in certain instances like Ballasalla their problems would be ignored. Now, the development has not gone ahead at Ballasalla because the proper standards cannot be abided by, and is the member saying that environmental damage does not matter because Tynwald has approved it?

**Mr Karran:** No, you just want to justify IRIS; that is the reason nothing has been done.

**Mrs Hannan:** I would like clarification of that, because my understanding of the sewer at Ballasalla is that the development cannot go ahead because it is over-capacity, it does cause environmental damage where it empties into the river; yes, there is a process which is being developed, but I am concerned that the mover, whom I know has got a concern for the environment, is saying that in this instance it does not matter and that the Department of Transport gets on and adopts it and what sort of standards are the actual sewers themselves within the estate going to be? Is there any consultation with the Department of Transport with regard to the adoption of sewers, because it does say, 'Any development in the standard of construction of the sewers disposal works which is not vested in the Department of Transport, the department shall, on the application of the owner, declare that the sewer is, or those works are, vested in that department,' and the member yesterday raised concerns with regard to Mount Murray. Now, you have only got to read the report in Mount Murray to know that what went on there was not controlled by the Town and Country Planning Act that the Department of Local Government has and all the problems that entailed there, and on the one hand the mover is saying this is all being done clandestinely and not up to standards and everything and not complying and on the other hand the member is now, today, coming along and saying that the same thing should go on here. It concerns me. Does the Department of Transport have any say in the standard of the sewers?

There is another area. If we are concerned about Manx workers - and I am concerned about Manx workers but that is anyone who has been here 10 years or anyone who has been born here - there is also a concern out there for house prices when it comes to people who cannot possibly get onto the housing market, and I believe that is an area that we as government should be concerned about. We do not have the personnel here for teachers; we do not have the personnel here to fill the posts for nursing; we do not have the personnel. . . There are many other jobs. I heard the other day about someone who is a planning officer - Manx school, supported through

college - and cannot afford to come back here because in the area in which they live at the moment, the house prices you cannot compare with here. That might be a certain person that the mover would supply this sort of housing for, but that person is living in an area at the moment which is, I would say, of a much higher standard than what the member is proposing where they are at the moment, and certainly this would not provide the same sort of standard of housing here.

So there are all these areas, I feel, which should be of concern to us, but I would much prefer to see land which is zoned for development being used for, in the first instance, local authority housing so that people - the ones that are on the waiting list at the moment - can be housed in the area where they wish to live. But there are all those areas that I feel I would like the mover to clarify when he is winding up this debate. Thank you, Vainstyr Loayreyder.

**The Speaker:** Mr Cannell.

**Mr Cannell:** Thank you, Mr Speaker. I do not know whether other members detect the same or not, but I find it quite different in the House on a Wednesday afternoon than I do on a Tuesday. There seems to be more of a degree of reasonableness. Perhaps it is only my own perception of it. (*Interjections*) Perhaps we have not endured Question Time before we start to debate the Bills.

There are many, many things with which my hon. colleague in Onchan and myself would never see eye to eye on but I would like to give him some support for this move today, and I am saddened to see that the guns have been ranged upon him rather prematurely. I heard that this move was not popular. It looks, without prejudging it, as if it is not going to survive, but I have been in that position and I hope that the courtesy of the House would be given to everyone who actually tries to make a point as he sees fit and, to be fair, that has been the case today. There has been no rubbishing of the move and I applaud it as a severe endeavour to do something. And I fall in line with my hon. colleague on that basis, because I do feel there is the need for more to be done, but let me say at the outset, that is not at the expense of the laudible moves which have been made by the Department of Local Government and the Environment in which they, in the initial stages, were kind enough to take me into some confidence that my ideas for resolving such matters might be entertained.

So yes, they do have that in some form of control, but the problem is not going to be addressed sufficiently by the moves that they have made and, although I would never ever go along with describing it as a crisis for housing in the Isle of Man, we undoubtedly do have a problem and, as I have said on two separate occasions, it is down to members of the House of Keys in my opinion to actually aid - and indeed in Tynwald too - the people who are not sharing unduly in the great wave of prosperity currently being enjoyed.

I am sure that I am not alone as a constituency member in receiving pleas for help from people who see no light at the end of the tunnel, even with the admirable endeavours of the department who now will tell us - they do not need to do it again - that their applications for initial housing are not being snapped up to the degree that they thought they might be, or indeed that others have claimed was an overwhelming demand for vast numbers of houses. In fact, even the mover of the Bill has gone far in saying that we need a certain amount of houses, which clearly was far too many. But I do feel that it is incumbent upon us to entertain the aspirations of this Bill, which is to actually utilise some of the government land.

Now, some of the points that have been made in preceding speeches have said that the government land may be for other uses. Is there a finer use for government land than to provide for its own inhabitants? I doubt it. You could, of course, argue that the government land in question may well be unsuitable, but the decision for that is not what we are talking about today; the decision for that would be the provision of the actual schemes which the Bill's mover would bring forward and he undertakes in this Bill for there to be no more than three. Now, what is not going to happen is that the hon. member will move a great swathe of land throughout the Isle of Man to be entirely devoted to such a scheme as he desires. In fact, I do not think that even he would be so rash as to do that, although he is undoubtedly not backward in coming forward with many of his schemes. He would recognise where the suitable places might be.

The cost of housing is the number one item in the Isle of Man and my hon. colleague for Rushen, Mr Rimington, has brought forth an edition of the *Courier* in which he says there are very few houses selling at less than £100,000. I, in my travels, see the odd one. I saw one in my own constituency the other day, with a great poster in the window, and it said 'Bargain - £94,000'. It was all right. They are solid houses; they were pre-war; they are next to the facilities of Onchan and a nice little place, but that is what you are getting - a nice little place for £94,000. I met the owner and I said, how did he get on? And he said 'I knocked five grand off because the bloke was a Manxman.' Now that is a good gesture. That £5,000 would buy him and his family a number of goods, give them a continental holiday or whatever, but he said, 'I was so keen for that to be entertained,' and it is down to us to be more philanthropic here and to try and do something for these people trying to get some decent housing accommodation on this Island. Only last night I was rung with a problem of a wife who had been deserted by her husband; she has two children - 'What can you do for me, Mr Cannell?' I am sure everybody here has got a dozen on them on their books running at the same time, but when you have been trailing round the usual outlets, you do not usually come up with anything. The only worse fight I can think of is trying to get something out of social security where they stick to rules and I do not think I have ever won a case yet, but I am working on it. I have a possibility. *(Mr Karran interjecting)*

But this elected House has an obligation to look after its people and we are not. There are too many people in the lower income bracket and they are still there. The lower income is not all down to people digging ditches and doing relatively labour-intensive jobs these days. There are many people doing skilled jobs. They do not come up anywhere near the figure which will give them a mortgage for a decent house and it is a shame, because if we do not look after them, they will exist no more and what will be left with then? We will be left, in my opinion, with something which will be a litany of abuse of those who provided the platform for those who have gained the prosperity elsewhere, and I regret that I have to refer again to those who have come to give us the wealth from elsewhere. They have done that because that platform has been provided for many years by Manx people.

Now, the government, by accepting some of the terms of this - it might need refining - can put out a message: 'Yes, we do care. We are going to have a look at Mr Karran's scheme and see if we can make it a bit more workable.' Because we gave this this reading today, it does not mean to say that the wagons are heading for Johnny Watterson's Lane or Ballasalla or wherever they are heading. What it does say is this government is prepared to, for the first time, countenance properly that we do have a difficulty and this is one way of possibly resolving it.

Now, the gun has swung round to talk of human rights, and let me say right now, we will be heartily sick of hearing about human rights before very long. We have only just started. We are not really off the blocks yet. But anything which is an excuse to be fudged will be hidden behind human rights. No matter what you want to do, you will not be allowed because of human rights and no matter what you cannot be bothered addressing, you can use the excuse of human rights. I understood that legislation these days was framed and before it was actually on the books for submission it actually had to be run through a human rights procedure.

**A Member:** Government Bills are. *(Interjection)*

**Mr Cannell:** Well, all right, tell me what human rights are going to prevent you helping your own nation's people. Any civilised country in the world would say, 'Yes, we are giving them human rights, not taking them away. We are helping them to have a roof over their head.'

Now, the planning side of it as well has come in for some question. This does not pose any threat. We are not trying to put up a scheme here that has already been rejected by every developer in the Island. We are going to, if Johnny Watterson's Lane is to be an example, contemplate building a modest housing estate to give people modest housing on the edge of Douglas opposite one of the most renowned council estates - and I mean renowned in the best sense of the word. It has been a wonderful tribute to Douglas Corporation - for once let us praise them - that they put the Willaston Estate up, but you are going to have that there and that is going to be on the fringe of Douglas alongside the new cemetery development and opposite Willaston. So we are not talking

here of taking over Pulrose Rose Golf Course or Howstrake Golf Course or Rowany or anything. We are not talking of trying to use the back door to negate something which would be totally acceptable. I cannot imagine anybody coming along and saying, 'We do not want a modest housing estate' where it is proposed at Johnny Watterson's Lane. I cannot think of why they would be able to get away with saying other than the usual thing, that it might spoil their view of Kate's Cottage or something, which is totally unentertainable. We are talking here of doing something.

Now, negative equity - my hon. colleague for Rushen is quite right there - is going to be a real problem. These are people who will have something. You do not need to tell me about negative equity; every time you have had a competition motor cycle, the second you take it out through the front door of the shop, it is negative equity, like buying a new car. It is negative equity all right for quite a while.

**A Member:** What about when the price goes up?

**Mr Cannell:** It does not though; that is the trouble. When you use a car for a little while, the price does not go up, it actually goes down.

So these will not, if they are monitored correctly - and I am sure the hon. mover will confirm this - be ghettos. Now, we have heard that emotional word before, in particular to one particular aspect of the Isle of Man. It does not come easy to say that we have got any ghettos in the Isle of Man and unfortunately the word 'grotty' has become more fitting to some of them, because not all of our housing stock, even in public ownership, gives me a great delight when I see the state of some of it, but these will be affordable houses. But I do concur with the hon. member for Peel that it does seem that they are a bit overpriced by the time you have taken the land value out of it. But that is the price, presumably, that the developer sees lined up. They want something out of it; they are not going to do it as a public service; they are not in that position yet. There are claims that might be entertained - you could easily mount a claim - that there are certain developers in the Isle of Man who virtually owe it to the Manx nation to actually do something for these people for all the facilities they have been given over a long number of years to enable the companies to make a profit, and I am not pointing a finger anywhere particularly there.

So the government has this land and it is the best way of helping. It is quite the best way of doing something for the people. We will subscribe the land. Most who know me, know I do not go in for great technical detail, so I do not know how it is going to be managed for the ownership of it. That is for bigger brains than mine and they do not need to be very big, admittedly. But someone can put the bite on it to say this land remains in ownership. It is not going to be the property of the people who buy the houses because they are only going to be assigned to Isle of Man workers and they are going to be strictly categorised.

I think the Bill has got merit. I think we should allow it to progress. It will not be a panacea to the Island's housing problems but at least we are doing something and, most importantly, we are telling everybody out there that we are doing something. But do not chuck human rights at me; that is a smoke screen. It is about resolution of members. Do they want to do something or don't they? If you say no, you miss this opportunity. It may be, as the hon. member for Garff has said, that some of the provisions for this are flawed. I have no doubt that certain of it is unworkable, but it is a good go and I admire the hon. member for Onchan for sticking with it when it would have been easy for him to say 'Well, we will just let others do it'.

Now, the hon. member for Garff yesterday was telling me about progress in planning and I think he said that he was awaiting some planning appeal decisions from October, waiting to hear about it and we are all waiting to hear these things, so the department is up to its eyes in it. (*Interjections*) The department is up to its eyes in it to get these planning decisions because their future planning must rest on independent planning decisions becoming known, and the whole thing is blocking up. It is not easy, as we have found with many other schemes.

So I would conclude - as you will be probably grateful to hear - by urging hon. members to give this a start. Let us back it and say, 'We are not going to, by Council of Ministers whip or by private discussions, knock Karran out' or anything else like that, because I believe it is a sincere, well-

founded and basically good attempt for this House, in its election year, to say to the people that we might be a dying House, as has been said on previous occasions - I do not accept that, as far as I am concerned, I am going to work right up to the limit, the same as always, not just wash my hands of it because it might be unpopular - and let us give this the backing and let us see how it gets on. It can be refined. Accepting this today and progressing it does not bind anybody to anything big; it just gives the feeling that we are sympathetic to the needs of our fellow men.

**The Speaker:** Mr Brown.

**Mr Brown:** Thank you, Mr Speaker. I do not think there are any of us in this House who are not concerned at the ongoing situation where there are people in our community having difficulty at the moment either purchasing a house or getting rented accommodation through the public sector and we all, as was said by the last speaker, deal with constituents and we have difficulty on occasions trying to deal with those issues. I want to make it absolutely clear: I am certainly not in the 'Let us knock the Karran brigade.' I do not think anybody is, and I have to say that I think that was an unfortunate remark, because the issue is not about the personalities, it is about the legislation before us to be considered, and I have to say that I believe the people of the Isle of Man want and expect us as government - and that involves all those who are in government and members of the legislature - to do what we can to provide housing for people in our Island. I do not think there is any doubt about that.

But I do think that they want us to act in a way that does not seem to be providing a system, which this Bill does, of just brushing aside all planning policies, planning laws, everything, because that is certainly what clause 2(2) does. I suppose the difficulty we have is that whilst it may sound popular, this legislation, because 'Oh, isn't it good! All you do is just put this to one side and there are only three applications and it is only on government land and, by the way, Tynwald will ultimately make the decision.' Well, first then you are then making 33 members of Tynwald a planning authority who are basically going to have consider planning applications in detail and that will be a wonderful occasion to see if this Bill goes through, especially when you think of the previous past of Tynwald trying to deal with local plans, (*Interjections*) and I have to say the record of the hon. member who is presenting this Bill is that he has been very critical, on occasions, of those local plans and on one occasion, of course, was successful - at least one, maybe more - which is his right and good luck to him, he was successful in actually having a plan sent back to the department for reconsideration because a few residents did not like what was zoned in the plan.

All I can say is, if you think zoning is a problem, you ain't seen anything yet until this and if this comes in, because it is not a matter of just 'not in my backyard' and it is not a matter of just three applications, it is a matter of what the public will see as their rights being totally thrown aside. I see no provision in this legislation for consultation with the local authorities, nothing in here for consultation with the area affected or which potentially could be affected, or neighbours, nothing in here for consultation with the public.

Now, the hon. member may put me right, but I do not see it and all I have to say is, I certainly was not elected to be a person who pursues a policy like that no matter how desperate we are, because I do not believe that is what people elected me for. There will always be some who think that is what we should be. We have seen the hype through the press on this issue, very well supported by developers. I wonder why? Very disappointing that we have not got the press here on such an important occasion - you can tell David Callister is in America on holiday, but I think that in itself is unfortunate. (*Interjections*) But it is an important debate where members are putting over points of view and, of course, what is going to come out is really if this Bill is unsuccessful, then of course it is all our fault and we do not really care, when in fact the contributions this afternoon have been 'Yes, we do care, we are worried, but hang on, there is another side to this coin, and the other side to this coin is the other people we are protecting as well.'

All I can say is, in the town I represent, the local government department have put a planning application in for a developer because they have an interest in it and that is something where there is a concern, and quite a serious concern, in the town, about what has happened, because it goes

to a single stage planning. And I can tell you, it is a very unpopular move within my town, and that is a town where I and many, many people in the town, are desperate for first-time buyer housing. But people say, 'But we do not want it at any cost and we do not want it where we do not at least have a right to have a proper input into an application'. So these things are very sensitive. This Bill does not say what type or style or scale of development should go in. When the hon. member has put forward the Bill and it says that it can be used only on three occasions, we know Johnny Watterson's Lane is one of them. Why is it not in the Bill? I would ask the question, because I just would like to know, because the hon. member has mentioned Johnny Watterson's Lane, he has mentioned Ballasalla and I think he mentioned St. John's. So the question I would have is, if he has got three sites that are specific, why has he not identified them in the legislation? And I ask that question out of genuineness because if you are actually saying to the legislature, 'I want to have a Bill which speeds up the whole issue, rejects all the rights that everybody should have,' then the Bill, I would have thought, should at least have, where the land is, identified it. Now, that is not an impossible position, and I know the hon. member may come back and say 'That is not my job,' but I am sorry, the hon. member seems to have in his mind already what is his job. We talk about the urgency of it - and I have got a cutting here from 21st November, 2000 which was in the *Isle of Man Examiner* and which shows the site of Johnny Watterson's Lane and how the developers were very supportive of the proposals of Mr Karran, but that is five months ago.

Now, the point I am just trying to demonstrate is that, yes, housing is urgent; I do not believe this is the way to make it work. I am not just going to say no, because I have ideas and I have views, and these views I have put to others on what I believe we need, and that is - and I have said this in another place - first and foremost that you must own land and buy land, build homes at the right price in the right places, and I have to say this continual centralisation of pushing everybody into Douglas is not in the Island's best interest (**A Member:** Hear, hear.) and it certainly is not in this House's long-term interest because we are an island and we have communities and we have people who want to stay in their communities. We can provide grants to make sure that the house is at the right price; for example, when I was minister of the Local Government and the Environment we built first-time buyer houses in Onchan through the local authority - we funded them - and all we did, whatever the cost of the house it was sold within the first-time buyers scheme, and all that they had to have was a residential qualification to live in that area, so you do not need legislation to do it; you can have policies to do it. You do not need to reject people's rights; you actually develop a scheme, a system, a proposal, and you make it work -

**Mr Karran:** Why haven't you done it then?

**Mr Brown:** Well, all I can say is my views have been well known for many years on this issue both publicly and privately. Again I made it known in another place that my concern and where I put the blame was the lack of action where it was suddenly a proposal of the Department of the Local Government some years ago not to continue to do any more building, so I made my view known on that; members know my view on it.

We can also make special grants available, and I believe we should, for those who have lived in rented accommodation in the Island for more than 10 years so that they can actually have a special grant to encourage them to move out of the rented accommodation to be able to afford to buy for the first time in their life - because age factor comes into this and the potential of how far they could pay a mortgage off - which then releases public sector houses for those who need them, so there are lots of things you can do and there are things we know and I suppose and I hope certainly that the minister and hopefully the member for the Department of Local Government who are dealing with housing will actually again explain, so it is on the record, what is actually going on.

But I have to say - and I repeat it because I do believe it is important - I do not believe the people of the Isle of Man want housing at any price, and this Bill is one step too far. It takes you over the line of what I believe to be a democratic system. It takes us to a position where, regardless of what people want, regardless of what it looks like, regardless of where it is situated, on three

occasions Tynwald will be able to determine a development can go there regardless of whatever the people feel, and I do not believe people want us to do that.

Within the Bill it states that the housing is for people with limited means. Now, I would really like the hon. member to tell me what he means by 'limited means'. Again I would ask the question why, as it is only going to be happening on three occasions - and presumably if the hon. member is talking about it happening in a short period of time - he was not able to specify an income base, because what does 'limited means' mean? It is just a terminology. There is no definition in the legislation of it; there is no definition in any other legislation as far as I am aware of 'limited means'. Now, okay, the hon. member will say 'You know what I mean when I say 'limited means'.' No, the Bill needs to say what it is going to do, so what is his definition that he wants us to accept of 'limited means'? I think that is fundamental because there may be a difference of opinion on limited means because, for example, could I say again, it is not just about limited means; there are many first-time buyers out in our community who are at the age of 50 and it is not because they have got limited means. It means the problem is because the pay-back period is too short, and to pay your mortgage off in 10 years is just not practical. But that is not limited means, so again I think it would be helpful for the member to actually respond to that.

I would cover the point about the adoption of the sewers. The hon. member made light of that about the IRIS scheme. Well, I think again I would just say to hon. members that regardless of the hon. member's views on the IRIS scheme the point is that under the provisions in the Bill, under clause 3 it just says 'On the application of the owner or any of the owners thereof' and they declare that the sewer is or the works are vested in the department, so if they do not work and they make application we have to accept them. If they are known to be a problem, we have to accept it, because there is no provision here for the department to say no because it says 'shall'. What happens then if we end up taking a sewer works on that we know does not work because we have to, we have no discretion? Who is going to put it right? The taxpayer, so the developer has creamed off his bit of money. He is quite happy, because this does not say it is a scheme to be done by the Department of Local Government; it just says only on land owned by Government, so it could be a developer, it could be Parkinson's, it could be McArd's, it could be Dandara. Any of them have the right to say, 'Yes, we will put you 50 houses on there.' if you think that if you are going to do it right this Bill will make it faster, I am sorry, you are sadly mistaken, because the way to do it faster is to use single-stage planning, not to throw planning out the door altogether, because that is not, I believe, acceptable to the people I represent.

I do not criticise the hon. member at all for trying to find a mechanism to make something work. I do not criticise that at all. If there were 24 Bills and if one of them had it I would be pleased, or if out of the 24 we could make one work I would be pleased to see it, but the problem is that unfortunately this legislation before us today is not workable and, more importantly from where I stand as a representative of the people of Castletown and a member of the House of Keys for the Isle of Man, it is not acceptable. It is not democratic legislation, it is nothing to do with human rights, it is to do with what is right in our Island and what is acceptable to our people, and whilst it might seem to be the right thing to do now, if this Bill gets through I would say, whoever is here dealing with it, heaven help us when an application goes in and the area do not want it, and they will be told by whoever is dealing with it 'Hard luck, the law say we can do it so we are doing it,' because that will be the answer. So I am sorry; unfortunately, no matter how well meaning the hon. member is - and I do not question that at all - like the rest of us we are keen to try and find some way forward. This Bill, I am afraid, does not answer the problem and I suggest it will create far more problems for us than we would have.

I would just like to respond to one point that the hon. member for Onchan, Mr Cannell, made: he said 'This Bill is not going to say we are going to build on Pulrose golf course.' I would say to the hon. member that this Bill does not say you cannot build on Pulrose golf course; what it says is if you identify a site -

**Mr Karran:** But it is not owned by government, it is owned by the council.

**Mr Brown:** But government could buy it, and all I am demonstrating is the Bill does not stop it. If government ends up owning that land it could build on it. If Douglas Corporation said, 'Well, we do not want the heat of building on our golf course. Government, you take it off us. Go on then,' we could build on it. I am sorry but that is not acceptable, and I unfortunately cannot support the Bill for the reasons I have explained, but I have to make it clear that I do support totally any moves to provide proper housing at the right price in the right places throughout the Island to meet the needs of our community.

**The Speaker:** Mr Quine.

**Mr Quine:** Thank you, Mr Speaker. I am sorely tempted to take up the invitation from the member for Castletown, who suggested that I may care to repeat what I said about a week ago in another place (*Laughter*) but I am not going to do that. I honestly believe that members did hear what I had to say. Whether they accept it or not is a matter for them, so I do not intend to go through all that I said about the problem and the policies. I do intend to concentrate on the Bill, but I would just make two pre-requisites to that, two qualifications.

I would remind members that I did say, when I spoke in another place just a few days ago, that we are dealing with the effect and not the cause, and I do not need to expand upon that: if we do not have a thousand people coming in, we are not going to have this problem, and whether this is the problem or not having the people come in, you could say that is a problem because our economy will suffer, but as far as housing is concerned, housing is the effect, the cause is something else.

Also at that same time I spelt out the different planks of government policy and I went through that one by one, explaining how there were essentially five, six if you wish, planks of government policy and how they embrace the different segments of the population, and I also said quite honestly and frankly that we needed to refine two elements of that policy: one which relates to that part of our community who are reliant upon support through the social services for their accommodation, and also to have a look at this question of people who had been in here for less than the 10 years but nonetheless they have quite legitimate housing needs. So I spelt that out and I do not intend to repeat it.

I also spelt out in great detail the totality of the housing programme, tracing it back from the housing report of over a year ago now, the targets that were set, the endorsement we have got for that programme and our current action plan which is allowing us to meet that programme, and I said there at that time that if any member was unhappy with that or did not believe that the economic adviser had got his figures right or we had got our figures right or we got the balance wrong, then there is a way through another place to give our department a direction how to change those figures and come up with some different programme, but we have not had that.

What I would like to do - and I am sure it is what Mr Speaker would wish me to do - is to concentrate on the Bill-

**The Speaker:** Yes, I do! (*Laughter*)

**Mr Brown:** Like the rest of us!

**Mr Quine:** - and I very rarely wander away from the Bill I am speaking.

We have to look at what is in this Bill, I would suggest, Mr Speaker, against what we have within planning as embraced by the new Town and Country Planning Bill, and I would just advise members - I am sure members are aware of this because it has been mentioned in another place - only in 1999 a committee of the Council of Ministers involving three political members and the Attorney-General sat down and spent considerable time looking at the planning procedures to see if it was possible, whether they were suitable, whether they needed any changes, whether they could in some way be streamlined to make them deliver the planning approvals quicker. That was all looked at, and that committee came to the conclusion that we have three perfectly valid methods for obtaining planning approval in respect of government land and government projects which are provided for within the Town and Country Planning Bill. So as recently as 1999 we have looked at

and thought about whether or not we could have more streamlined planning procedures. It would take an awful burden off my shoulders if we had! But when it was assessed and looked at in the context of the rights of the individual, the decision was taken that the balance had been properly struck within the new Town and Country Planning Bill where we have three options and they are spelt out - what we have referred to in this paper as a first method, second method and third method. So this is not something which has not been looked at; this question of whether through planning we can deliver things more quickly has been looked at.

Turning now to the Bill itself, sir, there are just a few comments that I would make, and again I would repeat that as far as the hon. member for Onchan is concerned - and I do not think he would accuse me of this - I have given him, not on this occasion but on numerous occasions, the opportunity to express his views in here and another place by ensuring that his propositions have been seconded, so I am not in what he referred to as the 'Anti-Karran Brigade', that certainly does not apply, but I have to look at this as dispassionately and as clinically as I think we all should be looking at it.

The first point, of course, is that this Bill is limited to land owned by government. Hon. members will recollect that within the last report the department tabled in another place we referred to not only the identified site but another 20 sites which are under investigation, and we were not site-specific for those 20 for good reasons. The only point I wish to make on that is that a number of those sites relate to land which is not in our ownership but which is in local authority ownership. The local authorities have that land, they have a current use for that land and, viewed from their perspective, they have no wish to relinquish that land. So as this Bill is drafted, it does not cover local authority land. Now, that of course can be dealt with.

As has been pointed out, of course, we are talking simply about three resolutions; there was a very limited application, and it is very unclear just what it is envisaged would go within those resolutions or what those resolutions would embrace.

Now, what the Bill does say - and the hon. member for Castletown has spoken on this to some extent as well - is in substance that in respect of land such as is envisaged in this Bill there would be no need for planning approval if the houses are suitable for persons of limited means - and the hon. member for Castletown has spoken about limited means - or the development incidental to the use of such houses, and I presume that means recreational and those sorts of facilities to go along with the houses.

Planning approval - I am not quite sure what we mean by 'planning approval'. Presumably we are talking about government land not zoned for housing. Otherwise, of course, the issue would not be with us, so are we talking about disembracing a zoning exercise? Are we talking of taking on board a planning detail? What is the position in relation to bye-law approvals? All of these matters take time, but what I am saying is, how do we propose to see that addressed through a Tynwald debate? Anybody who has been involved in planning, and a good number of hon. members here have been involved in planning, will realise that in considering whether or not planning approval is granted there is a whole list of matters that have to be concerned, all legitimate matters, matters critical to a proper decision on planning, and I just cannot envisage how they can be addressed on the floor of Tynwald. I just cannot see that. Are we going to have a situation where a motion is brought forward simply with a plan saying 'This area is going to be developed for housing' without having to give details, layout, detailed planning? And are we then going to allow representation at the Bar, people directly affected by that? We have had some experience of this and it is not one of our better spectacles, but I can imagine if you were to come forward to the floor of Tynwald with a planning application that is going to embrace, let us say 50, 150 houses and take on board the rights, presumably. . . and certainly the hon. member for Onchan has intimated to me that what he envisages is that they will have the right to come forward and make their case at the bar of Tynwald, I cannot see a logical and sensible decision being taken on a planning issue through that process - far from it. I think we will get decisions which would not stand scrutiny in planning terms, so I am not quite sure, in terms of what this Bill refers to as 'planning approval', what we mean by planning approval. I certainly cannot see what is proposed here offering a shorter lead time to planning

approval than what is provided for of the three options which we already have identified for us within the new town and country development plan.

In common with others, I think the idea that we have a statutory framework and that statutory framework requires us to produce, through an expansive consultative process, development plans, issues and options, documents, draft plans, public inquiries, public input, decisions by the department, decisions by Tynwald. I see this contradiction where we have this legislative framework provided for all these plans to be produced to provide a decision in a balanced form, recognising the rights of the individuals, and I cannot see how we can, at the same time, say 'Yes, we have statements of planning policy' and they hold good for everybody else but they are not going to hold good for government; they are going to be cast aside for government or may be cast aside, and other policy considerations - how we can say that we are going to, in this particular situation, throw them, disregard them, which is what has been said. That, I do not think, is a sustainable position.

The hon. member for Castletown has spoken about the question of drainage and, yes, we have problems with drainage and, yes, the need for drainage has constrained our choice in terms of sites that can be developed at this time, not just our choice in terms of government's programmes but the private sectors as well, and we all know what has to be done to address that. We also know, of course, that we do have policy approval for certain stand-alone facilities. It is an impediment and there is no denying that, but I do not see how what is proposed here is going to help us in that respect; I honestly do not see how that is going to change what we already have agreed and have in place.

The next point that I would just comment on - and I am sticking with the Bill - is that I am not quite sure how a person acquiring one of these properties would be attracted to such a purchase. First of all it is going to be limited to an Isle of Man worker or workers in government departments, local authorities et cetera; it is going to be limited in that fashion. There are going to be constraints which I believe would make it highly unlikely that there will be a large queue to take up these properties. We are going to have a position where there is going to be attached to these properties control by way of covenant on the actual land itself and the ability to transfer or have a conveyance in respect of that land. We are going to have, if it is rented, an imposed rent control on those properties; we are going to have maximum rent set, in other words. I am just drawing a parallel here: if we are having a limited response to the take-up for first-time buyer homes built to a high specification, a public sector specification at Springfield/ Harcroft and they are on sale at £10,000 less than what has been suggested here today, how are we going to get a take-up in respect of these properties, to whatever standard they may be built, with these constraints, constraints in terms of the actual land holding - is it leasehold we are talking about? I suspect it must be; de facto that it must be leasehold. And with these constraints in terms of how you can sell it, who you can sell it to, what you can rent it for, with the best will in the world I cannot see the demand, the take-up for these properties under these circumstances if what we have on offer at Springfield/Harcroft at £10,000 less without these encumbrances has this limited response. I really cannot see it.

The other point that I would make mention of here too is this is a stand-alone Bill, of course, and I think anybody would agree that if you read this Bill you will see that it is not going to work unless there is a great deal of meat to go on the bone, and I was looking - and I had a quick look again last night; presumably, to make this, even if you accepted all the other problems here, you are going to need regulations. Where do we get the regulations? What authority does that come into play alongside of this Bill? There must be provision somewhere, but certainly there is no reference in this Bill to a regulation-making power.

I end up asking myself this question: does this Bill offer us something distinctly more beneficial, in terms of the obtaining of planning approval and in terms of the time frame, than what we have available to us at the moment?' It escapes me; I do not see that in comparative terms the time frame is materially different. What I do see is that whatever the advantage may be, if there are advantages there, such a weighted downside on the proposition as a whole that it clearly outweighs any advantages. What we need to do is to make sure that the programme we have got

and the targets we have got for meeting those programmes are met, and if that programme is not satisfactory it is in any member's hands to come forward to another place and say 'No, change it, we want these figures,' but unless and until that point is reached we want to deliver that programme and we want political support to deliver that programme.

I cannot see how what is on offer here is in any way going to help us. The hon. member's intentions I do not doubt at all, and I can understand his frustrations; I get as frustrated as, if not more frustrated than, the hon. member because I am the one that is in the middle getting pulled right, left and centre by those that say, 'Yes, I want housing' and those that say, 'No, you cannot have it,' and it is the department that is in the middle trying to make some sense out of all that, but this will not help us; this will honestly not help us.

**The Speaker:** Just before we continue the debate, can I remind members that we are not having a general housing debate; we are debating the Housing (Special Provisions) Bill 2001. Mr Gilbey.

**Mr Gilbey:** Thank you, Mr Speaker. I wrote to the hon. mover about his Bill on 11th December last and I think it might be helpful if I quoted what I said to him then. I said 'I appreciate and strongly support your wish to provide more houses. Nevertheless, I am afraid that I just cannot support your Bill. I will not be able to support leave to introduce it for numerous reasons including the following: the process by which Tynwald would resolve the designated land to be reserved for housing purposes appears not to require either consultation or inquiry. This is not only contrary to established practice, but may be contrary to article 6 of the European Convention on Human Rights, which says that in determination of his rights, everyone is entitled to a fair and public hearing by an independent and impartial tribunal established by law. The process by which planning applications would be determined under your Bill requires the determining body not to have regard to most of the usual material considerations. These included not only land use, zoning on development plans, but also all of the matters set out in part 3 of the 1982 Development Plan Order. Furthermore, I am sure that large numbers of people would demand to appear at the bar of Tynwald and therefore Tynwald would be turning itself into a planning review and appeals committee. In fact, there are already fast-track methods by which planning permission can be obtained,' and here I end the quotation, Mr Speaker, but, the hon. member for Garff, Mr Rodan, has pointed out these alternative fast-track methods and the hon. member for Ayre, Mr Quine, has explained them in some considerable detail.

Now, in his opening remarks the hon. member Mr Karran said that there was a refusal to deal with the vested interests which stopped people getting houses. I do not know what vested interests he is referring to. The housing shortage is quite clearly due to a number of factors: one is that in the present economic boom conditions more people are coming into this Island and want to be housed; secondly, there is no doubt, as prosperity increases, more people are fortunately able to afford to live in separate accommodation; and thirdly, there is a growing social trend throughout the British Isles for the size of families living in a house to go down and down, and this is because more young people are leaving home early and because there are more single-families or single parent families. It is these reasons that have led to the present problems regarding houses, not any refusal to deal with vested interests.

Then the hon. mover says he wants action. I can assure him, as the hon. member for Ayre has, that action is being taken. He says there is nothing to put in the place of his Bill. It is the action that has already been taken. However, when one explains what action is being taken, it seems to sadly be suggested that this is PR. However, what is being done has been clearly set out in two housing reports in the last 12 months and will be continued in a further housing report which has been promised in October. Now, if the 290 houses which the hon. mover refers to were being built on the sites he suggests over 16 months, there can be little doubt that the workforce building them would not be building houses already included in the public sector and first-time buyer housing projections in the department's plans. Therefore it is most unlikely that his proposals would lead to an actual addition of 290 houses being made available.

The hon. seconder, Mr Rimington, referred to there being hardly any prices below £100,000 advertised. Well, the department does not advertise the prices of its first-time buyer houses in the 'houses for sale' columns, but the fact is that it is providing houses at a considerably price than £100,000.

It is also a fact, Mr Speaker, that a large number of houses is being brought into the market - as stated in the housing reports to which I have referred, at least 400 houses per annum and hopefully more than that.

I was surprised that the hon. member did not mind the removal of human rights in respect of the planning process. I personally think this is a thing to which we should have regard. If you do not want to call it human rights, surely one should talk about established rights in this Island while we have one of the most democratic planning processes anywhere and where people do rightly have the chance to express their views, either supporting or opposing applications.

I totally, of course, agree with the hon. member for Garff that we all sympathise with the problems caused by the shortages of houses and, as he rightly says, speaking as a past chairman of the Planning Committee, we just cannot and should not ride roughshod over people's rights to object to development proposals. In planning you have to keep a fair and reasonable balance between the interests of those seeking development, whether for houses or anything else, and those objecting to it. Although our present system may not be perfect, I believe that it is a very good system and certainly puts into shame the systems in the adjacent isles, and the Bill that is proposed certainly, I do not think, would be any credit to us.

I am grateful to the hon. member for Peel for referring to the recent Town and Country Planning Act 1999. Hon. members will remember that this was recently passed by this hon. House after much thought and debate, and I believe it achieves the balance of fairness to which I have just referred. As the hon. member for Peel has said, it gives people the right to have their voices heard, and she was also right to query the very high cost of the houses which the hon. member for Onchan, Mr Karran, proposes should be built on the sites he has suggested. How is it his houses there are going to cost £10,000 to £20,000 more each than the houses being provided already by the department?

The hon. member for Onchan, Mr Cannell, wants more to be done. The proposals under the Bill would undoubtedly be the wrong way to do more. Government land, I can assure you, is being used. The development at Harcroft meadows is on government land and we have other plans going through the pipeline in different stages to develop other areas of government land. I cannot accept his argument that we need this Bill to prove that we care. I am sure that all hon. members of this House and another place care deeply about the need to provide housing, but we do not need this Bill to prove this to the outside world. I would have hoped, indeed, that our care was shown not just by our words but what is being done by the estates and housing directorate under Mr Quine. Again, I was going through the minutes of their last meeting this very morning and there were pages and pages and pages (**Mr Houghton:** Hear, hear.) of proposals to provide houses at all levels: first-time buyers houses, houses to rent et cetera. I was very surprised that the hon. member Mr Cannell seemed to suggest the Government keeping the land on which the houses proposed under this Bill were to be built. This would surely lead to leasehold, not freehold, ownership of these houses and I thought that was something that was not favoured, and rightly not favoured, by hon. members of this House and another place.

Of course, the hon. member for Castletown is right: we are discussing policies and not personalities, and I can assure everyone that as far as I am concerned it does not matter to me who is moving this Bill; it is the contents of the Bill that matter. Of course, he is right - again Mr Brown that is - in saying that the Bill, as I have already suggested, would turn Tynwald into a planning committee. However, unlike the present Planning Committee there would be no right of review or appeal. I also entirely agree with him that we want more houses, but not at any cost. We want people to keep their rights to object and have their objections heard. As in all things, this is a matter of balance and if we start losing our balance and going to extremes, I am sure we shall live to regret it. I can assure Mr Brown, indeed he knows, that the Government is doing what he wants:

buying land, building houses in various parts of the Island, providing a very good house assistance purchase scheme for first and second time buyers, subsidising the cost of land on which first-time buyers houses are erected and actively investigating other steps such as housing associations and of course we have the very good initiative of the Empty Houses Committee which is chaired by the hon. member for North Douglas, Mr Houghton, who was proposed by his colleague, Mr Henderson.

I would like to thank Mr Quine for his valuable contribution in explaining in considerable detail the problems that this Bill would bring about. I totally agree with him that the controls and restraints on the properties proposed for erection under this Bill would make them unattractive. However, if people did take them out of desperation, I do not think that they would have been given a fair deal, particularly when you compare the situation that those houses would be in, with the controls and restrictions as to sale, as to letting them out, as to future ownership, with the houses for first-time buyers being provided by the department at Springfield/Harcroft. I think if you want to think about the problems of controls, we all will have had experience of the problems brought about by the controls imposed on agricultural workers' cottages - that was some 20 or 30 years ago - but the problems resulting from those restrictions are still extremely alive and are actually constantly being brought, not in large numbers but in small numbers, to the department and the Planning Committee.

For all these reasons, Mr Speaker, I do hope that this Bill will not be given a second reading. Failure to do so will not mean that people do not care; (**Mr Houghton:** Hear, hear.) it will mean that they think there is a better way of dealing with a serious problem.

**Mr Houghton:** Hear, hear.

**The Speaker:** Can I ask the mover to respond? Mr Karran.

**Mr Karran:** Vainstyr Loayreyder, thanking my hon. colleague for seconding the proposal on this matter I also thank him for his input into the debate. I would like to say that he is quite right to express the concerns that he did and I think that was excellent of him. But I do feel this hon. House has to realise that the attempt by this piece of legislation is to create a tiger by its tail. The reason why I have left it so flexible is to make sure that if the Government or the department does not come along and use this legislation, then I will, because at the moment what we have seen from this administration is nothing short of civil war between different factions trying to point-score over the people outside who want basic, affordable housing.

I thank the hon. member for Rushen for his support and his most positive input into this issue, because he is quite right: negative equity is of vital long-term concern to this Island, and without addressing this issue we are going to face up to that situation. I believe that the latest figures for housing are that the average house now that was being sold last year is £140,000. I think that is the issue that Mr Rimington needs to remember. That is the average house. How many of our workers can afford to pay that sort of money with no equity, no money in the bank at the present time?

He is quite right about the issue of human rights. The issue of human rights as far as this is concerned - I have checked out this Bill and I find that is just another one of these red herrings that we see when it suits, to try and make a situation. Now, admittedly we have got some, Vainstyr Loayreyder - a limited house is being done at the present time - but they have no effect. It is like coughing in a hurricane as far as the present policy being effective for decent housing.

As far as Mr Rodan is concerned and his concerns about high-density housing, at the end of the day he would have a right to have a full input and a vote in another place on whatever proposal was coming up under this piece of legislation. That would be the safeguard, I would say to the hon. member, concerning high-density development, because at the end of the day I do not want to be creating a piece of legislation that will create slums or buildings that can create social problems or socially deprived areas at a later date, because my name will be on that development. I am not talking about the streets but the fact will be that if there is plenty of blame will go around some of us will always get the blame but will never get the credit for it.

I hope that the hon. member for Garff would support my situation and support this Bill because he knows he is suffering from the present shenanigans in his own constituency because of the civil war which, to be fair on this House, was inherited. There was a problem at the last general election that was running at us like a train and it was a problem that was not being addressed at the last general election, and that problem in the public sector, which my good friend, the hon. member for Peel, should not allow to get confused with this issue of the private sector with the public sector, has added to the horrendous problems that we have now concerning the present housing crisis.

Mrs Hannan asked about the situation concerning the developments. I have highlighted two areas simply to give the possibilities of what could be done with this piece of legislation. Now, if I did not do it you would all sit around here and start saying, 'Well, there's no detail.' You are damned if you do and you are damned if you do not in this hon. House!

She was concerned about the rights in planning. At the end of the day Tynwald is the highest court in the land. Area plans come to Tynwald, so I do not see it as some revolutionary principle that this piece of legislation could not be used for such a facility. We have a crisis on our hands, we need to address it, and I believe that my piece of legislation will resolve this issue. I have made it as flexible as possible and I do hope that the hon. member will not lose sight of a basic right of shelter, because that is a problem at this time. It is the one issue which I get constantly harangued on at the present time, and that is a right. The right to object is one thing, but the right to have some sort of decent, affordable accommodation is a far greater right in my opinion, and I would hope that he would do some.

I forgot that Mr Rodan did ask about other issues. Well, I can assure the hon. member that drafting a Bill for the executive is a lot easier than drafting a Bill for a private member and you have to go through a lot more hoops. The issue as far as human rights is, I would never have got it printed if that was the case, and they know that. I am disappointed. By all means win your case, but win it fairly.

He talked about the present procedures regarding speeding up development. The situation is that if this legislation is there, why has it not been used? Why is it not used?

**A Member:** It is being used.

**Mr Karran:** It has not been used up to now because there has been no political will to use it up to now. The fact of the matter is, if this Bill was not on this table now I think it would not concentrate the mind. There would still be the petty quarrelling whilst one of the most socially divisive problems that we are facing at the present time is being forgotten about.

He was very concerned that this issue was an infringement on human rights. I have said that the Attorney-General's department. . . and I have said that I even talked to our previous clerk who just turned around and said, 'That is utter nonsense and it is just being used as an excuse,' so this issue of human rights is not the case.

The reason why I have gone for three orders, the hon. member asked, was to try and ease the housing crisis, and the reason I have not put in primary law where it should be - it should be used for the flexibility of where, after consultation between me and the government of the Isle of Man, we would pick the areas of Government-owned land. Now, if the hon. member was saying that I wanted to do this on land that was not owned by government, then the fact is there would be a human rights issue on that.

I would hope that the hon. member, who is only a new member in the Council of Ministers, will freely vote and vote for this proposal and let the clauses be debated on this matter.

I go back to my seconder, and he came in later on to say with his support, and he is right: it is getting worse. The only thing I do take issue with him on is that he says it is not a crisis. I believe it is a crisis. He is more likely having people that have been to me or are going to him on housing problems. The housing situation is unbelievable, and I would go as far as to say that the housing crisis now is worse than the one in the 1980s that we had, which pales into insignificance. But he

is right: at the end of the day the detail of the places will go to Tynwald. We will make the decision, so if there is high density, if there is something wrong with the thing, then we will have to pin our colours on the mast where it is.

The costs of the housing were questioned, which was a legitimate argument, but as a private member I can only work with the limited resources that I have as a private member. If the executive was to take on what I have been trying to do I am sure they could have done a better job.

The member for Castletown asked why I did not put in primary law the locations of these developments. The reason I did not put them in primary law is because then they are fixed in primary law. My argument is that we have a crisis, we have land there that is owned by government. The spectre of just one proposed development at St John's would send shudders down the ones at the present time, who are investing heavily in the property market. Just a matter of getting one of these developments, as I said at the beginning of the second reading stage; at the moment it is a green light that is flashing brightly to the speculators and to the Rachmans of the Island, because there is no will in here to worry about the small guy. There is too much will in here to worry about the big guy who has invested the money, has got the development land at such an extortionate rate and we are more worried about them. That is the problem we have got at the present time.

So I think the argument as to why it is not in primary law, for the hon. member for Castletown, is simple: it means that after the Bill, once I get the third reading of this Bill through here and I send it to the other place, I will be wanting to have consultations. All right, this is my first stab at it; what is the member for housing going to do with this? Is he going to come on board with it? The fact of the matter is, the problem has been that there has been too many Chinese walls to sort out the housing problem. Maybe that is not the right phrase to use, for the hon. member for Ayre, but the situation is that is when the hon. member for Castletown talked about why we have got it in here about the sewerage system, to be perfectly honest with you, they nearly held up the Springfield/Harcroft situation over the sewerage system. It was a big question. There were big questions over that and there was a lot of work that had to be done to sort that out. That is a fact. I have tried, with my experience of being in this House, to work a Bill that is flexible enough so that I can take every eventuality. That is why the member is bothered about the sewerage, because he knows that if would not put this in in this piece of primary legislation, he could have got Douglas Corporation to say, 'Sorry, we are not taking your sewerage, because we don't like it!' (*Laughter*)

**Mr Duggan:** It smells too much!

**Mr Karran:** The whole Bill would have been impotent and that is why he is so upset about it. I have tried - the hon. member talks about not enough detail in the Bill; I have made the Bill as flexible as possible to give the maximum chance of trying to sort it out. The situation is that Mr Brown comes in as a minister; this housing situation has been ongoing for a long time. He says that he wants to protect the people, as far as the planning procedures are concerned, from the situation in Castletown at the moment. The reason we have got the situation in Castletown is because we have got a crisis on our hands and more likely that development would not have stacked up with the capital costs of the land only for the fact that we have a housing market which is vastly over-inflated and vastly over-invested in by external forces, and I believe that that is the reason, so his problem in Castletown is that he is actually the orchestrator of his own problems because he has helped to allow for the situation of not allowing anything to happen because we have had this civil war between the different parties.

He talks about the rights to object. Well, I have to say I want the rights to put some sort of decent housing over the heads of our people, and I think that this is the only way we can do it.

I understand that the hon. member will not be supporting my Bill; that is fair enough. He has failed his administration which he has had from DHSS, DoT, DoLGE, Department of Tourism and Leisure - I understand their embarrassment. They failed so they are going to make sure. . . I hope the members in this House not part of the executive will support my Bill because it will be members' power, because this Bill can be used by any of us, not just by me. It is a lot of hard work -

**Mrs Crowe:** You are right!

**Mr Karran:** - but it could be used by any member of us to try and sort out this social problem.

I thank the hon. member for Ayre and I understand he has been very reasonable as far as his input to this Bill, but then at the end of the day I will be criticised that I am part of his gang, he complains that I am part of your gang and what I am interested in is trying to resolve the issues as best I can for the people of the Isle of Man and, as I say, as the Chief Rabbi in this House who has had more passovers for ministerial appointment as far as my position is concerned, I have tried to be as independent and as fair in this House, but it is obvious to people outside this House and that follow this House that the housing issue has been used as a political sop by different sections in this House, and what I am trying to do with this piece of legislation is say, 'Right, that's in the past; we need action.' We need to be showing the people outside at the moment who are laughing at us and exploiting our people that the time has come that the green light is off.

He talked to me again about the simplistic way this Bill has been put forward, but when he talked about rent control he will find that when I talk about that, I am not sure but it is the Housing Act 1952 or 1954. That issue has gone through. This Bill has been to the Law Society, I have had meetings with the person who deals with conveyancing law within the Isle of Man. This Bill has been consulted with several developers on the Isle of Man, so this Bill has had the *n*th degree of consultation. I have tried to make sure that it is right because at the end of the day it has got my name on the back of this Bill, and my name might not mean much to most of you in here but outside this House it means a lot to a lot of people, so I would not want to be party to a situation as far as that is concerned.

The reason why people would purchase these properties - the hon. member says, 'Why would they want to purchase these properties?' - at the moment to afford something decent for children you have got to rent a two-bedroomed box in a terrace for £600-plus up in Governor's Hill or in Farmhill -

**Mr Henderson:** Eight hundred pounds.

**Mr Karran:** Well, I am told now it has gone up to £800. The fact of the matter is, when I talk about my colleague's constituency 10 per cent of the houses in Governor's Hill are owned by two people. That is the situation. Why have I fought with my colleague here, the Treasury minister, to get the issue of how many are on the census for rental accommodation to try and show the true picture of the problem we have got at the present time? So I hope that the hon. member will go in with the spirit of supporting the second reading of the Bill and let us go down to the details of the Bill and go clause by clause. At the end of the day there are only five clauses in the Bill, and any concerns that the hon. member has like the concern that was raised about public authority land - well, there could be an amendment to the Bill to put into primary law.

But this Bill has one important factor, and it might be amusing to the member for Middle but this is an important issue, an issue where people are in tears are really upset outside. I suggest the woman that has been on to my friend who he mentioned has been on to me. She has got to get out of her house; she has got two kids. On social security you cannot even afford to look at somewhere. So people want to realise in this House before it is just a jovial situation: it is a serious situation; it is destroying family life. You have got social services shrugging its shoulders about what to do next with the break-up of homes. I have talked to the director of social services about this. The issue is that if this Bill goes ahead, yes, it is a tiger by its tail for the executive, but if it does not go ahead the situation will be that nothing will be done. What bit we have got done is because of this Bill. It has tried to concentrate the different angles of the civil war over this issue of trying to make it as black as possible for either side to blame.

I believe that if this House throws this Bill out you are just allowing the 'come day, go day' attitude over the most pressing and indictable problem that we have to face at the moment, and that is the housing crisis. I hope this hon. House supports the second reading because if you do not support this second reading you are giving the big green light to your speculators and your Rachmans who are making a fortune at the moment at the expense of the indigenous working-class Manx people in this country and I must say, if you do not get this issue addressed and we do not get the houses, you will destroy even your little goose that lays the golden eggs for the finance

sector, because it will become totally uneconomic to operate through this Island, so I think if you cannot do it for the Manx working people do it for the fact that the economy of this Island is in serious danger if it does not address this issue anyway, Vainstyr Loayreyder.

**The Speaker:** Hon. members, the motion is that the Housing (Special Provisions) Bill be now read a second time. All those in favour please say aye; against, no. The ayes have it.

*A division was called for and voting resulted as follows:*

*For: Messrs Rimington, Henderson, Duggan, Mrs Cannell, Messrs Singer, Karran, Cannell and the Speaker - 8*

*Against: Messrs Gilbey, Quine, Rodan, North, Sir Miles Walker, Mrs Crowe, Messrs Brown, Houghton, Braidwood, Shimmin, Mrs Hannan, Messrs Bell, Corkill and Gelling - 14*

**The Speaker:** The Bill fails to carry at second reading in the House, 8 votes in favour, 14 votes against.

### **Mental Health (Amendment) Bill — Second Reading Approved**

**The Speaker:** We now move to item 21 on our agenda, the Mental Health (Amendment) Bill for second reading. Mr Karran.

**Mr Karran:** Vainstyr Loayreyder, hon. members will be aware that the main provisions of the Mental Health Act 1998 came into force with effect from 1st April 2000. The fundamental principle supporting this Act is that the patients who are compulsorily admitted by reasons of mental disorder should be assessed on an appropriate standard of care and treatment. In addition, these patients should be provided with a safe calm therapeutic environment and the proper observations and the rights and entitlements.

However, during the preparation for the introduction of this 1998 Act a potential problem was raised concerning the discharge of these responsibilities, which was including making arrangements for the detained people to be visited and interviewed for any complaints to be investigated. Under the provisions of the current Mental Health Act for England and Wales on which the Isle of Man Act is based the responsibilities are statutorily delegated from the Secretary of State to the Mental Health Act Commission. However, under section 118 of the Isle of Man Act these responsibilities are solely delegated from the department to independent persons nominated under section 120 of the Act.

Despite this fact, the Isle of Man has its own Mental Health Commission. The statutory functions of the Island's commission are contained in section 119 of the Act and can be considered to be relatively minor in comparison with the neighbouring commission. The reason for the difference in drafting is unknown, and the legislative draftsman is concerned to maintain that it is only acting on instructions from the local consultant psychiatrist, who has now left the Island. As a temporary solution the department has formally nominated each member of the Mental Health Commission as an independent person under section 120. This is to ensure that the commission can still be seen to carry out its most important functions, abated indirectly through members acting individually as independent persons. However, the department and the Mental Health Commission are concerned at the lack of collective responsibility and wish to correct the anomaly as quickly as possible in order to ensure a more co-ordinated approach.

In the light of this Bill and its preparation it will transfer certain functions under section 69, the review of treatment, and under 118, the general protection as far as the detained patients for persons nominated under section 102 to independent persons to the Mental Health Commission.

Vainstyr Loayreyder, I am pleased to move the second reading of the Mental Health (Amendment) Bill.

**The Speaker:** Mr Cannell.

**Mr Cannell:** I beg leave to second, Mr Speaker. It is a technical measure. I am sure that we have all read from time to time about the detention of people who have not had their cases reviewed for a long period, and in fact to great sadness some of them should never perhaps have

been installed in mental institutions in the first place. Some in fact were proven with better technology later on, better interviewing techniques and better appraisal of their situations that much better placements could be found for them. The Mental Health (Amendment) Bill 2001 charges the department to keep under review the exercise of such powers and the discharges of it for persons authorised for patients to be visited and interviewed and in fact their constant assessment. A technical measure, it also entails the ability for the commission to investigate any complaint made by persons, and presumably that also includes those charged with being *in loco parentis* and also of course people who have power of attorney over patients in the homes, and the Mental Health Commission here takes responsibility for this in its much better form and I do commend it.

**The Speaker:** Sir Miles Walker.

**Sir Miles Walker:** Thank you. Very briefly, Mr Speaker, the hon. member on moving the Bill talked about the Mental Health Commission - the hon. member who has just resumed his seat referred to it - is that a committee of lay members, a committee of medics? I wonder, could the hon. member inform me?

**The Speaker:** The mover to respond, Mr Karran.

**Mr Karran:** I thank my seconder. I am just looking under the 1998 Act regarding the commission. The commission has lay input into it; it also has psychiatrists and professional bodies. I am trying to look under the precise membership of the commission. I believe that we have to have two independent psychiatrists to be party and I believe it has to have three independent people. The position is that under the law there must be one or more registered medical practitioners, obviously being psychiatric. Such numbers are suitably qualified persons who are not registered medical practitioners as it fits and the department shall not nominate under the subsection 'a person who is a member or employed by the service or in the service of any department or statutory board, but I have not got the numbers but I am sure we can get the numbers. If I remember correctly - as I do not think I brought this Bill through in the first place - the situation is that there are two psychiatrists on it; I think there is somebody who is a nurse on it, and I think there are two or three - I think the Eaghtyrane's wife is one of the lay members of the commission and I actually believe at the present time there is a vacancy, so if any members have anybody that they particularly feel would be suitable I would be very interested to know if they have got anybody that they think particularly suitable. I thank the House for the second reading of the Bill.

**The Speaker:** Hon. members, the motion before the House is that the Mental Health (Amendment) Bill be read a second time. All those in favour please say aye; against, no. The ayes have it. The ayes have it.

### **Civil Jurisdiction Bill — Second Reading Approved**

**The Speaker:** Item 22, the Civil Jurisdiction Bill for second reading. Mrs Cannell.

**Mrs Cannell:** Thank you, Mr Speaker. This Bill can be described as a miscellaneous provisions Bill in that it seeks to make various administrative changes in the procedures of the High Court and is promoted by the General Registry and has the support of the deemsters.

Part 1 of the Bill clarifies the law relating to the granting of interlocutory injunctions where there are court proceedings in other jurisdictions. Such injunctions are made now, but there is no specific statutory authority for the making of such injunctions. Other provisions deal with security to be given in admiralty proceedings and submission to a foreign court. The absence of statutory rules about these matters has caused practical difficulties in recent years in the Isle of Man.

Part 2 amends the Judgments (Reciprocal Enforcement) (Isle of Man) Act 1968. The amendments are intended to simplify the procedure for enforcing foreign judgments in the Isle of Man. This has become increasingly important as the Isle of Man has developed as a financial centre.

Part 3 contains amendments to various Acts: the Aliens Restriction Act 1948, which is now redundant is repealed; the High Court Act 1991 is amended to enable deputy deemsters to be appointed by the Governor. This has already been considered by the Council of Ministers.

Provisions are inserted into the High Court Act 1991 to provide a statutory basis for mediation as an alternative to court proceedings in civil cases. Rules of court already provide for mediation. Amendments are made to the Contracts (Applicable Law) Act 1992 to take account of alterations to the Rome convention. Other amendments relate to the rules of court and introduce a new procedure for the review of decisions relating to the registration of legal practitioners, in particular English practitioners.

The Bill is not expected to result in any reduction in government income. Many of the provisions of the Bill should in various ways assist in making the procedures of the High Court more efficient. If and when a deputy deemster is appointed, this will increase government expenditure in respect of salary.

The Treasury has also given approval to the introduction of this Bill - quite an interesting Bill to have been provided for me. I hope that members will give it their full support and also hopefully, when we get to the clauses stage, they will also show some interest in some of the very interesting aspects of this legislation. I beg to move.

**The Speaker:** Chief Minister.

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

**The Speaker:** Mr Singer.

**Mr Singer:** Could I ask the hon. mover - if she has not got the following information perhaps she could get it for the clauses stage: the first item is the repeal of the Alien Restriction Act. Could the hon. mover tell me who are these certain persons referred to who are now prevented from serving on juries or becoming members of the Isle of Man Civil Service who will now be able to serve on juries and become government employees? And secondly, at the very end, the appointment of a deputy deemster, could the hon. member inform me of how much the Treasury has actually approved for the increase in government expenditure in respect of the salary and accommodation of the appointment of a deputy deemster? Thank you.

**The Speaker:** Mrs Crowe.

**Mrs Crowe:** Thank you, Mr Speaker. I wonder, could I ask the hon. mover - and I am aware that this Bill is complex; like the Fair Trading (Amendment) Bill it amends various other statutes which does make it complicated with the constant references to other Bills. However, in clause 4(2) it does appear that the Council of Ministers can make an order enabling judgments from courts in prescribed jurisdictions to be enforced in the Isle of Man. Now, this will be of considerable help to the Office of Fair Trading, and could the mover confirm that this will cover the likes of the UK Small Claims Court which is part of their County Court, and that reciprocal arrangements are in place for judgments of the Isle of Man Small Claims Court here which is part of our High Court to be enforced in the UK? Also, I wonder could I enquire, are there are other jurisdictions such as the EU where these reciprocal arrangements are in place? I do support the Bill but there are a number of issues that I really have not been able to properly address due to the pressure of work at the moment. (**Members:** Oh!) I would be most obliged. Thank you.

**The Speaker:** Mr Karran.

**Mr Karran:** Vainstyr Loayreyder, I think that we need to know in detail at the clauses stage - and I am sorry for not talking to the hon. mover before this but I have not had a chance to do so, like the previous member. But what I would like to know is that I am concerned about the constitutional integrity of the judiciary within the Island. I would like to know whether this piece of legislation will develop a highway of information as far as commercial issues within the Island. I am concerned that it is important that we address this; will the likes of these having this reciprocal enforceable jurisdiction on court orders with the United Kingdom have effects as far as being used as a highway as far as the UK revenue is concerned? I have a lot of sympathy in reciprocating the likes of Small Claims Courts and things like that, but at the end of the day we are two separate jurisdictions; we are two different countries. As much as many in this House do not seem to recognise that fact that we are not a suburb of Surrey, the fact is we are and that is why we are

sitting here and we are doing so well at the present time, and we are not like the rest of the Sudreys where you will more likely have 20-odd sheep for every human being or 200-odd sheep in some islands for every human being in the Inner and Outer Hebrides.

So I do think the issue does need to be addressed and we do need to have some clarification that there is no way that by supporting this Bill because of enforcement of judgments an interchange of information can be used, because I think that we must make sure that we do not weaken our own constitutional armour not as far as just parliament is concerned but also in having an independent judiciary as well, because I do not have the confidence in the Attorney-General's Department; they are too 'Uncle Tom' as far as I am concerned. I think we must make sure that that issue is fully and frankly debated because the point is that whilst people in this House legitimise the constitutional arrangement over the Royal Assent, once you have passed that piece of legislation you cannot rescind it without their say-so, I think we need to be very, very careful, because that is the only thing I am concerned about in this Bill.

**The Speaker:** Mrs Cannell to respond.

**Mrs Cannell:** Thank you, Mr Speaker, and I welcome all the contributions that have been made. First of all to the hon. member for Ramsey, Mr Singer, he wanted to know two aspects in respect of the legislation before us. One was in terms of the alien restriction. That particular section is contained in clause 6 of the legislation, and the Aliens Restriction Act of 1948 was the Act that prohibited membership of juries in the courts of the Isle of Man and membership of the civil service where the person is not of British national. Both restrictions are now regarded as an anachronism; many non-British citizens have lived in the Isle of Man for many years, and a fine example of this is the citizens of the Republic of Ireland, and it is felt that it is inappropriate and discriminatory to exclude them from membership of juries and the civil service. So I hope that may clarify the point for the hon. member.

In terms of the deputy deemster, some members, and in particular the members of Treasury and possibly members of the Council of Ministers, are aware that there was quite a deal of discussion in respect of the appointment of the third deemster, which was the original desire of the present deemsters in the Isle of Man; they would have liked a third deemster. After some careful consideration and also as a consequence of a Treasury company supervision working party and also the words of a High Court judge, it was deemed more appropriate to appoint a deputy deemster - that is to say that the High Bailiff could be made or could be appointed a deputy deemster, because in fact he is doing work that is given to him by the deemsters now, particularly in civil matters and that sort of thing, whereas the criminal matters are generally dealt with by the first and second deemster. So there will be an increase in terms of half the cost for an office for the deputy deemster but, as regards the salary to be received for the post by such a deputy deemster, that has yet to be clarified and decided but I would hope that hon. members within this place will be fully briefed upon that as and when it happens.

I thank Mrs Crowe for her interest in the matter, and with regard to the small claims - and I fully appreciate the difficulty that her office has had in respect of this sort of situation - judgments for a sum of money which is issued by foreign courts may be registered in the High Court in the Isle of Man and enforced in the Island as if they were judgments of the Isle of Man Court. But there are certain limitations to this, the principle of which is that the Council of Ministers must have prescribed the countries and courts for which judgments will be accepted. There are at present only a handful of countries which have been prescribed so that has yet to be determined by the Council of Ministers and I dare say they would welcome input from hon. members, particularly the member for Rushen, Mrs Crowe, with her responsibility for trading standards. The foreign court must be a superior court, there must be substantial reciprocity, judgments will not be enforced if they are for taxes, fines or other penalties and registration will not apply in respect of awards granted in foreign arbitration proceedings, now this will avoid difficulties which have arisen in the past with respect to judgments by, for example, the circuit courts formerly, the county courts in England and Wales, it is those courts that the majority of debt suits arise but they are not registered as superior courts and technical manoeuvres are sometimes entered into to enable the judgment

to be registered in the Isle of Man. This section in clause 4 will enable judgments of foreign courts such as the English circuit courts to be so registered.

I thank Mr Karran for his contribution, the hon. member for Onchan, and I can assure him that the provisions laid within this legislation will no way, as far as my knowledge extends and the briefing papers that I have been supplied with, weaken the armour of the Isle of Man. Indeed, it just confirms the existing practice as present; it puts it on a statutory footing. The same applies also, of course, with the mediation process, there is a very useful handbook available to members of the public for that but it is very rarely exercised, it is hoped that by putting it on a statutory footing that it will be recognised because there will be little if no cost to the member of the public who has a matter that they are ultimately wanting to take to the courts. So all of these things have been put on to a statutory basis but they are at present practised. I beg to move, Mr Speaker.

**The Speaker:** Hon. members, the motion before the House is that the Civil Jurisdiction Bill be read a second time. Will all those in favour please say aye; against, no. The ayes have it. The ayes have it.

### **Interception of Communications (No. 2) Bill — Second Reading Approved**

**The President:** Item 23, the Interception of Communications (No. 2) Bill for second reading. Mr Bell.

**Mr Bell:** Thank you, Mr Speaker. This Bill is promoted by the Council of Ministers and is designed to extend the scope of the Interception of Communications Act 1988 to cover new means of communication by which messages can be sent and received and letters or packets sent by private courier services. Members will have noticed that this Bill is entitled a No. 2 Bill and I believe it would be helpful if I explain briefly why the first Bill was withdrawn.

Considerable concern was expressed by the private sector and particularly amongst those involved in e-commerce that certain provisions were contained within the first Interception of Communications Bill. It was therefore decided to withdraw the Bill and replace it with a more limited version of the original Bill. This will enable further consideration to be given to the best means to intercept other methods of communications.

The United Kingdom Regulation of Investigatory Powers Act 2000 on which our original Bill was based has been subject to considerable criticism in the United Kingdom from private industry, and it is generally considered that the RIP Act in the UK has had a major impact on undermining confidence in the UK as an attractive centre for e-commerce. The Isle of Man Government's emphasis on encouraging further growth in e-commerce is very much to apply a light touch, by not rushing into legislation to control aspects of e-commerce but instead to monitor its development and legislate where necessary to either facilitate or to tackle problems of abuse as they are identified. In this regard government is to have detailed discussions with the industry to introduce measures that provide for controls that will encourage e-commerce business whilst at the same time ensuring the criminal fraternity cannot take advantage of this new means of communication.

The new Bill therefore provides for the following: clause 1 substitutes a new section 3 in the Interception of Communications 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 via 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 address or phone numbers - and cannot be just in general terms.

Clause 2 introduces a 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 in this Bill so it will come in to force immediately on Royal Assent being announced in Tynwald. Mr Speaker, I beg to move that the Interception of Communications (No. 2) Bill be read a second time.

**The Speaker:** Mr Cannell.

**Mr Cannell:** I beg leave to second and reserve my remarks, Mr Speaker.

**The Speaker:** Mrs Hannan.

**Mrs Hannan:** Thank you, Vainstyr Loayreyder. Could I ask in relation to mobile phones - well, in relation to both parts in this legislation, have mobile phones been intercepted to date? If they have not, may I ask, what has happened until now? as mobile phones have been about for quite some considerable years, and could I also ask if there has been interception of communications via a courier service? Courier service has been going on for some time as well, and if they have been intercepted, under what legislation have they been intercepted? I think that we have to be very careful when we are intercepting private calls, and I know it says it is related to terrorism or it has to relate to something else but I wonder if there could be some clarification under what has happened up to now, prior to this legislation being brought before us. Thank you, Vainstyr Loayreyder.

**The Speaker:** Mr Bell to respond.

**Mr Bell:** Thank you, Mr Speaker. The whole purpose of bringing this legislation through in the form that it is at the moment is that there are no current powers to intercept either mobile phones or indeed the courier service. This has been recognised now for some little time and the situation, I think, has been brought to a head with the increasing use of mobile phones by our drug fraternity. The Bill itself now, though, will enable, in certain circumstances, the police with the Chief Minister and the Attorney-General's approval to intercept certain mobile phones and indeed will enable interceptions of courier services as well. The courier service is something again which had not been aware that there was a shortfall in the legislation in the past. To my knowledge, no mobile phones nor any courier service has been intercepted because clearly, if that had been the case, it would be contrary to the current laws.

I just mention to the hon. member that there are a very very limited number of interceptions in any particular 12-month period. The First Deemster is responsible for drawing up an annual report of the number of interceptions which take place. Normally the annual number would be in single figures. I think the report which came out a few weeks ago quoted 11 or 12 cases in the last 12 months but, as a rule, they are used in very limited, very specific circumstances and, as I say, have to have the approval both of the Chief Minister on advice from the Attorney-General.

So I hope that answers the hon. member's question, Mr Speaker and I beg to move.

**The Speaker:** Hon. members, the motion is that the Interception of Communications (No. 2) Bill now be read a second time. Will all those in favour please say aye; against, no. The ayes have it. The ayes have it.

### **H E The Lieutenant-Governor — Forthcoming Visit to Keys Chamber — Agreed**

**The Speaker:** Now that completes our agenda, hon. members, but I have one other matter I would like to seek your advice on. It has been the custom in the past as each Lieutenant-Governor has been appointed that he has been invited to make a visit to this House and I had in mind, with your permission, to invite him to this House for our sitting on Tuesday, 26th June. That would be the last sitting of this House and there would be very little items on the agenda, other than questions and maybe Council amendments because, as members will know, all legislation will fall. Is there any objection by hon. members to invite the Lieutenant-Governor to visit this House? Mrs Hannan.

**Mrs Hannan:** I really do not see the need to invite the Governor to this hon. House. This is the House of the representatives of the people and therefore I do not think there is any need

whatsoever to invite the Governor to the House and I would hope that members of the House would support me in that.

**The Speaker:** Mr Henderson.

**Mr Henderson:** Just some clarification, Mr Speaker. Which side of the House would you intend the Governor to sit at, this side or the other side?

**Mr Quine:** The other side!

**The Speaker:** Hon. members, it has been custom, it has been courtesy that he is after all the appointed representative of our head of state and, if it is the wish of the majority of the House, I will invite him for that date. Do I have that approval? (**Members:** Agreed.). Thank you, hon. members, the House will now stand adjourned until the meeting next Tuesday at 10.00 am in this House.

*The House adjourned at 5.14 p.m.*