

REPORT OF PROCEEDINGS OF TYNWALD COURT

Douglas, Tuesday, 12th December 2000
at 10.30 a. m.

Present:

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

In the Keys: 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); Hon D C Cretney and 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 Prof T StJ N Bates, Clerk of Tynwald.

The Lord Bishop took the prayers.

Apologies for Absence

The President: Hon. members, we have apologies for absence this morning from the hon. member of the Council, Dr Mann. I understand that Dr Mann is continuing to make good progress and we send him our best wishes. (**The Speaker:** Hear, hear.) We also have apologies from the hon. member of Council, Mr Lowey, who is receiving an honorary doctorate today in Liverpool, and from Mr Radcliffe, who is attending a funeral this morning and will join us later.

Papers Laid before the Court

The President: I call upon the Clerk to lay papers.

The Clerk: I lay before the Court:

European Communities (Isle of Man) Act 1973 -

European Communities (Petroleum Sanctions) (Revocation) Order 2000 [SD No 738/00]

European Communities (Flights Restrictions) (Revocation) Order 2000 [SD No 739/00]

Licensing Act 1995 -

Permitted Hours (Registered Clubs) Order 2000 [SD No 737/00]

Local Government Act 1985 -

Local Authority Members (Attendance Allowances) Order 2000 [SD No 727/00]

Local Authority Members (Travelling Allowances) Order 2000 [SD No 726/00]

Building Control Act 1991 -

Building Control (Ramsey) Order 2000 [SD No 612/00]

Public Health Act 1990 -

Production of Energy from Waste Order 2000 [SD No 733/00]

Merchant Shipping Act 1995 -
Merchant Shipping (Liability of Shipowners and Others) (Calculation of Tonnage) Order 2000 [SD No 732/00]

Customs and Excise Act 1993 -
Dual-Use Items (Export Control) Regulations 2000 (Application) Order 2000 [SD No 698/00]

Hydrocarbon Oil Duties Act 1986 -
Hydrocarbon Oil Duties Act 1986 (Amendment) (No. 3) Order 2000 [SD No 650/00]

Customs and Excise Act 1993 -
Export of Goods (Control) (Amendments No. 5 and 6) (Application) Order 2000 [SD No 688/00]

Companies Act 1931 -
Companies (Private Placements) (Prospectus Exemptions) Regulations 2000 [SD No 724/00]

Superannuation Act 1984 -
Teachers' Superannuation Order 2000 [SD No 723/00]

Social Security Act 2000 -
Social Security Legislation (Application) (No. 19) Order 2000 [SD No 734/00]
Social Security Legislation (Application) (No. 20) Order 2000 [SD No 735/00]
Social Security Legislation (Application) (No. 21) Order 2000 [SD No 736/00]

Advocates Act 1995 -
Notaries Regulations 2000 [SD No 671/00]

High Court Act 1991 -
High Court (Costs) Rules 2000 [SD No 672/00]

High Court Act 1991: Criminal Jurisdiction Act 1993: Advocates Act 1995 -
Criminal Jurisdiction (Assessment of Costs) Rules 2000 [SD No 673/00]

Fishing Vessels (Support) (Amendment) Scheme 2000 -
Fishing Vessels (Support) (Amendment) Scheme 2000 [GC No 45/00]

Report -
Council of Ministers' Report on The Organisation for Economic Cooperation and Development: Harmful Tax Competition

Census Act 1929 -
Census Order 2000 [SD No 660/00]

European Communities (Isle of Man) Act 1973 -
Burma (Sale, Supply and Export of Goods) (Penalties) Regulations 2000 [SD No 731/00]

Burma (Freezing of Funds) Regulations 2000 [SD No 730/00]

Currency Act 1992 -
Currency (Obverse Design) (Amendment) Order 2000 [SD No 762/00]

Appointed Day Orders -
Advocates Act 1995 (Appointed Day) (No.7) Order 2000 [SD No 729/00]

Reports -

Tenth Annual Report of the Value for Money Committee, October 2000

United Nations Convention on the Rights of the Child: Concluding Observations of the United Nations Committee on the Rights of the Child on the Initial Report of United Kingdom of Great Britain and Northern Ireland - Isle of Man

European Communities -

European Communities Instruments circulated during July to October 2000 [GC No 44/00]

Isle of Man Steam Packet Company Limited — Redundancies — Question by Mr Singer

The President: Hon. members, we turn to our question paper for oral answer, number 1. I call on the hon. member for Ramsey, Mr Singer.

Mr Singer: Thank you, Mr President. I beg leave to ask the Chief Minister:

- (1) *Are you aware of*
 - (i) *the redundancies of skilled workers employed by the Isle of Man Steam Packet Company; and*
 - (ii) *mechanical and maintenance work being switched from the Island to the United Kingdom by the Isle of Man Steam Packet Company; and*
- (2) *if so, what representations has your government made to prevent this loss of jobs and further reductions in the company's operation in the Isle of Man?*

The President: I call on the Chief Minister to reply.

Mr Gelling: Yes, Mr President. I am, of course, not answerable for the management decisions of the Isle of Man Steam Packet Company any more than, as I suggested, I was not answerable for Manx Airlines, or, indeed, any company on the Island or serving the Island. But as regards the Steam Packet Company specifically, our concern is of course the service which the company provides to the Island. We have a signed user agreement with that company which guarantees the minimum level of service that we need.

Whilst we prefer work and employment to take place on the Island - that applies to all companies, whether it is the Steam Packet Company or not - individual companies have to make their own decisions for their own commercial reasons. Having said that, in an effort to assist members, I have put the question of redundancies to the company and it has said, and I quote, 'Four staff at the Fort Street Engineering Workshops have accepted voluntary redundancy terms. The clear role of our engineering workshops is to support our core business, which is to provide engineering support for our fleet throughout the year. It is not about providing services to third parties as has been done in the past. There are sufficient good small firms in the Island which can provide these services. Our aim is to provide a small, but highly focused and multi-skilled team which can provide a quality back-up service to our vessels. It is for this reason that we can release these four people. I have no doubt that they will have little difficulty in finding new employment. Far from switching maintenance work on our vessels from the Island to the United Kingdom, the opposite has been the case. We have this year increased the amount of refit work carried out by our own ships engineers and our workshop team. MV SeaCat Scotland, which operate on Sea Containers' Belfast, Troon route, was brought to Douglas for her annual refit in November where the work was undertaken by Steam Packet and Fort Street personnel. MV SeaCat Isle of Man will also have much of her annual refit work carried out at Douglas early in 2001. Only highly specialised and underwater work will necessitate these vessels carrying out some of the final work in dry dock on the Mersey. In recent previous years that refit programme and work on these vessels has been carried out across.' End quote from the Steam Packet, Mr President.

The President: The hon. member for Ramsey.

Mr Singer: I thank the Chief Minister for his reply. Would he not agree that that comment that he read out was a comment by Mr Ross and that Mr Ross seems to have forgotten that more than four people were made redundant? There were, in fact, five. Is the Chief Minister aware that one of them was made redundant because the Steam Packet decided to switch the mechanical and maintenance work on the tractors off the Island to have it done in the UK? Does he not think that perhaps Mr Ross should have mentioned this as well? Chief Minister, are you powerless to intervene on behalf of those employees who have many, many years service with the Isle of Man Steam Packet Company? Are you powerless to intervene to prevent them losing their jobs after these number of years?

The President: The Chief Minister.

Mr Gelling: Mr President, I think also I heard the interview yesterday when the question was answered, certainly confirming that that is the statement from the Steam Packet.

Mr Ross went to great lengths to say that numerous other people had been taken on as these were made redundant. Basically, whether it is four or five I am not in a position to answer.

If the hon. member says it is five, I can only accept that his information is better than the information I have had from Mr Ross. Certainly all people's employment on the Island is of concern to government. We wish to see everybody in the employment that we have at the moment, which is something that we are proud of. As for the actual commercial running of the Steam Packet, if you look at their record you will find that they are producing more ships at the times that we need them - at TT time and so on - and that their service, which is of paramount importance to us, is a very good service at the present time, sir.

Licensing Act 1995 — Failure to Bring Sections 22(2) and (3) into Operation — Question by Mrs Hannan

The President: Question 2, the hon. member for Peel, Mrs Hannan.

Mrs Hannan: Eaghtyrane, I beg leave to ask the Chief Minister:

- (1) *Have you discussed the failure to bring section 22(2) and (3) of the Licensing Act 1995 into operation with the Drug and Alcohol Strategy Forum; and*
- (2) *has the Forum expressed concern over:*
 - (a) *this failure; and*
 - (b) *the dangers to young and old of the aggressive marketing of alcohol in off-licensed premises?*

The President: The Chief Minister.

Mr Gelling: Yes, Mr President, the answer basically to the two-part question is 'yes' and 'yes.' The answer to the first is yes, we have discussed this particular area.

The subsections of question 2 deal with the employment basically of minors in off-licensed premises. Now, the rationale of these provisions was to prevent young persons from being left in charge of small off-licensed premises and being subject to peer pressure to serve liquor to persons under 18 years of age.

However, the actual effect of the provisions if brought into force would be to prevent anyone under the age of 21 from being employed at all in off-licensed premises, which was not the intention of the measure. Now, I can assure the hon. questioner that it is therefore proposed to amend these

subsections, but an alternative provision which achieves the original aim has not yet been drafted for inclusion into a Licensing (Amendment) Bill.

The President: The hon. member for Peel.

Mrs Hannan: Is the Chief Minister aware that it was not only off-licenses, so to speak, but supermarkets, where the supermarket off-license was deemed to be separate? It was trying to get that agreement by that legislation that brought that about. I am not sure whether I am asking the question properly, Eaghtrane, but the situation concerns me, as I took the legislation through.

Is the Chief Minister aware that it was to try to keep alcohol away from the general operation of the supermarket, so that people going into a supermarket did not have to go through all the alcohol area to get to the cash point? Would he kindly see if this could not be introduced, not only for under-age drinkers, but for people who are pressurised into purchasing alcohol? We know that they have a difficulty. Is the Chief Minister aware also that about 80 per cent of all offences are committed under the influence of alcohol?

The President: The Chief Minister to reply.

Mr Gelling: Yes, I understand absolutely what the hon. member is saying, but the interpretation of the law that we have means that the orders have not been put through. No matter where in a supermarket complex you have that off-licence, spirits or whatever, the law would prevent anyone under 21 from working in the entire complex. That is not the intended aim of the legislation, so that is exactly what we are trying now to resolve. We seek an amendment which will allow under-21s to work in a supermarket, but not in the alcohol area.

I have made some inquiries since the question was put down, Mr President. I know one particular store where, for argument's sake, if someone does have a bottle of spirits in their shopping as they come through, the young under-21-year-old is not allowed to put that through the cash machine. She has to call someone over 21 to come along and supervise, to make sure that the person who is buying it is of an appropriate age. It is a problem. There was one supermarket that did have their spirits off in another area, but I am informed that that is still covered under this particular law, which would prevent anyone under 21 from working in the store.

I touch on the other area of the question from the hon. questioner, which is the aggressive sales. I can understand that as well, because now we are getting spirits gathered around the till area, right in front of people as they are coming out, which is an inducement for someone who might unfortunately have been an alcoholic and is trying to get away from it, and who goes in to buy a loaf of bread, but is confronted with this at the checkout. So we are in dialogue now with the off-licenses, Shoprite, Safeway and Tesco to try to find a way forward.

The President: The hon. member for Peel.

Mrs Hannan: Thank you, Eaghtrane. Could I ask the Chief Minister why it has taken five years, from the introduction of the legislation until now, to recognise that there is a problem with regard to off-licensing? It was a problem when the legislation was taken through, so why has it taken five years or longer to try to resolve this matter?

The President: The Chief Minister.

Mr Gelling: Yes, there has been undue delay without any doubt, Mr President, but in practice people tried to make it work. In other words, if I could just illustrate again, could you have a dedicated till purely and simply for those with spirits? Of course, in practice, it would not work, because there are so many people now coming through with their basket, but if they have got some spirits in it they would

have to go to this one till. The problem is making the legislation work. We thought it would be totally impractical to put that in because they just could not work within it.

The President: The hon. member for Council, Mr Delaney.

Mr Delaney: Thank you, Mr President. I hope I am one of the few members of Tynwald who can tell the difference between a loaf of bread and a bottle of whisky, but would the Chief Minister not agree with me that, although a few people seem to have this idea that most alcoholism in the Isle of Man is caused and encouraged by supermarkets, the opposite is the truth? Most supermarkets in the Isle of Man are well run, well organised and appreciated by the general public for the services they give.

The President: The Chief Minister.

Mr Gelling: Yes, Mr President. Indeed, with regard to the forum about which the original questioner asked, this is something that we know that is coming from home. That is -

Mr Delaney: The problem.

Mr Gelling: - where most of the juvenile spirits and alcohol is coming from, but this is the real problem we have with this legislation. I know that the Home Affairs Dept is trying to find a way forward, sir.

The President: The hon. member for Peel.

Mrs Hannan: Is the Chief Minister aware that supermarkets have recently been saying that their sales of alcohol have increased in leaps and bounds? Is not he also aware that that is how alcohol gets into the home and that is how young people have it? It is so easy; this aggressive marketing is not just to the young people, but to older people, as the Chief Minister has also mentioned -

Mr Delaney: Blame somebody else for your problems.

Mrs Hannan: - people who are trying to get over addiction to alcohol.

The President: The Chief Minister.

Mr Gelling: Yes, Mr President, I had not heard about a leaps-and-bounds increase, but certainly it was reported within our forum that the supermarket that actually put the spirits into a little side shop within its store had a dramatic decrease in its sales. There is obviously a situation there where it is impulse buying.

Island's Quality of Life — Opinion Poll — Question by Mr Karran

The President: We turn to item 3 on our question paper. The hon. member for Onchan, Mr Karran.

Mr Karran: Eaghtyrane, I beg to ask the Chief Minister:

Do you intend to conduct a further opinion poll on the Island's quality of life prior to the next general election, as was proposed in the Quality of Life Report of June 1991 and endorsed by the Council of Ministers?

The President: Again, it is for the Chief Minister to reply.

Mr Gelling: Yes, Mr President, I am happy to take advantage of this opportunity to confirm that it is the intention of the Council of Ministers to conduct a further quality of life survey. Provision for this survey will be included in the forthcoming budget proposals.

The President: The hon. member, Mr Karran.

Mr Karran: Eaghtyrane, a supplementary. I thank the Chief Minister for his response. Will members of this hon. Court be told what is going to be in this survey or will it be done as a *fait accompli* by the executive?

The President: The Chief Minister.

Mr Gelling: Yes, at this time it is true to say that we are making the financial provisions to carry it out, but the actual questionnaire or the consideration of how that survey will be conducted, what type of questions will be asked and who will do it has not yet been confirmed, Mr President. But certainly I suggest that hon. members who have got ideas of what could be got from such a survey make contact with us.

Mr Karran: I thank the Chief Minister.

Manx Gaelic — Government Promotion — Question by Mr Karran

The President: Question 4, again the hon. member for Onchan, Mr Karran.

Mr Karran: Eaghtyrane, I beg to ask the Chief Minister.

What policies are your government implementing to promote Manx Gaelic in 2001, the European Year of Languages?

The President: I call on the Chief Minister to reply.

Mr Gelling: Mr President, the government has a substantial on-going programme to promote and develop the use of Manx Gaelic and this will be continued into the year 2001. I have a fair list here which I could supply to the member later, but if he wishes me to highlight some of the areas I certainly will do so, Mr President.

The President: The hon. member for Onchan.

Mr Karran: Eaghtyrane, it would be nice to find out where the Chief Minister's government is with regard to the priority attached to the promotion of Manx.

I have a further supplementary. Would the Chief Minister not agree that, if we are bringing in a Race Discrimination Act, and the likes of in this hon. Court here refused the question that was put in Manx highlights that there is still indifference against the Manx language?

The President: The Chief Minister.

Mr Gelling: That is rather a shame, Mr President, because had the hon. member asked me the question in Manx, I had the Manx reply, but I have lost my opportunity.

First of all, can I just highlight that the Department of Education has identified six initiatives which are helping the drive to promote Manx Gaelic in 2001. It comes along the distribution of Learn Manx CD Roms in the Eurotalk interactive series.

A large Manx Gaelic website has been created on the intranet and will be ready for immediate school use in January 2001. It is intended to develop an A-level course for use by students who have completed the successful GCE course by September 2001. Also in September 2001, it is hoped to establish a full-time Manx medium primary class. This will be a class in which children are taught the normal curriculum, but through the medium of the Manx language.

The department will offer to sponsor bringing a guest speaker to the Manx Gaelic Week in November 2001. 'Signs in Manx will be made available to all schools for use inside their buildings, to complement existing English ones. This will raise the profile of the Manx language in the eyes of 11,500 children each day.

Supporting that, Mr President, the Manx National Heritage has advised that its support will be the continuation of 50 per cent funding of the Islands Manx language development officer, the continuation of research grants for the study of original Manx place names, the preservation of a rich archive of original sound recordings and photographs of the last native speakers, and the continuation of other features such as the employment of fluent Manx speakers as part of the Manx Language Advisory Service. There will also be a venue for Manx language school teaching sessions and the annual Ned Maddrell memorial lecture, subsidies for Manx language promotional events and the regular use of Manx language on the MNH sites, sir.

Health Services Complaints Procedure — Human Rights — Question by Mr Quine

The President: Question 5, the hon. member for Ayre.

Mr Quine: Thank you, Mr President. I beg leave to ask HM Attorney-General:

Are you satisfied that the recently-published health services complaints procedure is fully compatible with the European Convention on Human Rights?

The President: I call on Her Majesty's Attorney-General.

The Attorney-General: Thank you, Mr President. The Department of Health and Social Security is required under clause 38 of the National Health Services Bill to provide regulations which make arrangements for dealing with complaints made by or on behalf of persons who are or have been provided with primary health services and hospital and specialist services.

The department has published documentation entitled 'NHS Complaints Procedure For Hospital and Community Health Services.' That procedure was forwarded to all members of Tynwald by a letter dated 6th November 2000. The letter made it clear that that procedure would be converted into regulations and would incorporate any amendments found to be necessary during the initial use of the procedure.

The purpose of the procedure is set out at paragraph 14.2 and, if I may, I will quote. It states: 'The purpose of the complaints procedure is not to apportion blame amongst staff, it is to investigate complaints to the satisfaction of the complainants while being scrupulously fair to staff and to learn any lessons for improvements in service delivery. Inevitably, some complaints will reveal information about serious matters which indicate a need for disciplinary investigation. As is made clear by paragraph 14.9, when a decision is made to embark upon a disciplinary investigation, the processing of the procedure ceases in respect of all matters that are the subject of disciplinary proceedings.'

It is essential for the person handling the complaint to make clear to the complainant that a disciplinary inquiry is now under way, particularly if the complainant is likely to be asked to take part in this process. A guiding principle in paragraph 14.12 is that the complainant should be able to understand what happened, why it happened and what action has been taken as a consequence to ensure that it does not happen again. The complainant should be informed in general terms of any disciplinary sanction imposed on any staff member.'

Mr President, my reading of that arrangement is that it is designed to provide a relatively informal procedure for dealing with complaints as to the provision of health care on the Island. There is no power to award compensation in favour of a complainant, and neither is there power to impose any disciplinary sanction against a member of the health service's staff. That being the purpose of the complaints procedure, it is necessary to consider whether any of the articles of the convention have any application to it. In my opinion, the convention right, which is relevant in relation to the complaints procedure, is article 6, which deals with the right to a fair trial.

The essential question is whether the complaints procedure, setting up as it does a temporary conciliation procedure pending the introduction of formal regulations can be said to determine a person's civil rights and obligations or any criminal charge. It is only if that question is answered positively that the requirements of article 6 must be complied with.

Mr President, it seems to me that the functions to be performed by the various participants in the procedures, which are summarised in the appendices to the procedure, are essentially investigative. There is no legal determination as to criminal or civil liability. In those circumstances, since the convention does not apply to the procedure, it is not necessary for me to state a view as to whether the procedure is fully compatible with the convention.

The President: The hon. member for Ayre.

Mr Quine: Thank you, Mr President. Having regard to the employer and the employee, and, indeed, to the contractual relationships which exist between the department and the hospital staff, in your view, sir, it is acceptable that the chairman and members of the appeals panel - I stress that it is an appeals panel - should be appointed by the department? Setting aside the legal technicalities of whether this procedure falls within or without of article 6.1, does that structure in itself allow for even natural justice?

The President: That is asking for an expression of opinion. Mr Attorney-General do you wish to respond?

The Attorney-General: Mr President, I have endeavoured to answer the question that was put to me, which was framed in terms of the convention. Matters of natural justice raise other issues.

The President: The hon. member for Ayre.

Mr Quine: Thank you. Is it acceptable, sir, in a procedure of this nature, open as it is to would-be complainants, for a member of the department, the complaints manager, to be in a position, arbitrarily to refuse to accept a complaint on the basis that, in that person's opinion, it is frivolous or it is vexatious, without a right of appeal?

The President: Somebody has to make a judgement. Mr Attorney-General.

The Attorney-General: Mr President, as I say, the question was put to me in terms of the convention rights and compliance with the convention. I am quite sure that a critique could be prepared in relation to the procedure, if the convention applied, but it does not. I am not prepared, therefore, to answer the questions.

The President: The hon. member for Ayre. I do not want to broaden it away from the question on the order paper.

Mr Quine: Thank you, sir. In relation to representation at these tribunals my remarks are staying within the procedure - do you not see complainants being deprived of equal rights in a circumstance where legally qualified people are allowed to represent parties to these procedures, given, of course, that the man in the street is not going to be able to afford a legal representative, but the doctors can?

The President: Mr Attorney-General.

The Attorney-General: Mr President, as I read the procedure, the proceedings are in private, members are bound by the normal rules of patient confidentiality and legal representation is not permitted. That is one of the stipulations of the procedure. If the convention applied to the procedure, that might well be a breach of the convention.

The President: Yes. The hon. member for Onchan, Mr Karran.

Mr Karran: Eaghtyrane, would the Attorney-General not agree, or is he aware, that all complaints will be notified to the independent tribunal as far as the chairman is concerned? Surely the best thing, would he not agree, is for the hon. member to come and talk to the independent chairman and to his panel, in order to iron out any concerns that he has as about that, which has already been offered?

The President: He may very well wish so to do. Mr Quine.

Mr Quine: Yes, may I just thank the learned Attorney-General - I will return on another occasion on the basis of natural justice - and simply say, sir, that as far as meeting with responsibility with the member for Health is concerned, it is like talking to a brick wall? I have tried that.

Mr Delaney: On a point of order, Mr President. The hon. member for Onchan, the member of the Health Service board, asked a question of the Attorney-General. I would be interested to find out the answer.

Parking Permits — Criteria for Issue — Question by Mr Delaney

The President: We will turn then to item 6 on the question paper, hon. members, and I call on the hon. member for Council, Mr Delaney.

Mr Delaney: I never got the point answered, Mr President, but I beg leave to ask the Minister for Transport:

What criteria are applied by your department in issuing parking permits to Island residents?

The President: I call on the Minister for Transport, Mr Brown.

Mr Brown: Mr President, I assume the hon. member of Council means residents parking permits which are issued -

Mr Delaney: Or those by any other name.

Mr Brown: - in conjunction with disc parking zones. Therefore, if my assumption is correct, I can advise that for residents of disc zones to be eligible for a permit, the following criteria is normally applied by the department. First, they must live in the zone area. Secondly, they must own and drive a Manx registered and currently taxed car or small van. Thirdly, they must confirm that the vehicle is in everyday use. Permits are restricted to one per resident, although if a resident has several vehicles, the permit can be marked for multiple registration numbers.

The President: The hon. member, Mr Delaney.

Mr Delaney: Mr President, may I first of all remind the minister what the question is. The question is 'What criteria are applied by your department in issuing parking permits to Island residents?' I did not specify any particular areas, but can I ask the hon. minister, have your traffic wardens - or permit supplying officers if you wish - the right to change the criteria for issuing permits to different persons, depending who they are and what they are?

The President: The minister to reply.

Mr Brown: Mr President, apart from permits being issued in disc zones, which is why I answered the member in the way it was. His question was 'What criteria are applied by your department in issuing parking permits to Island residents?' The main area that we issue permits is in relation to disc zones. The only other type of permits, as far as I can recall, that are issued are in relation to persons who are disabled or persons working for emergency services, where specific conditions may apply.

As for whether or not someone will get a permit because of who they are, certainly I would say that that does not apply. What happens is that the normal criteria that I have laid out will apply. We have representations on occasions from the public and from hon. members of this Court trying to pressurise us to go outside that remit. The department endeavours not to do that. However, in individual cases circumstances may arise that warrant us stepping outside that criteria. If that is the case, then it is referred to a political member for a decision.

The President: We turn then to item 7 on the question paper.

Mr Delaney: Can I ask a supplementary further, Mr President?

The President: You can, sir, yes.

Mr Delaney: I thank the minister for his reply to confirm what most of us feel: that different situations are occurring on the issue of permits. Can I ask the minister when he last reviewed the situation of permits being issued? Will he particularly look at why some people with the same type of vehicles are granted permits in areas they work in and reside in, and some are not?

The President: The minister to reply.

Mr Brown: Yes, Mr President. Certainly this situation is not black and white.

Mr Delaney: Blacker for some than for others.

Mr Brown: Certainly the situation is not black and white. As I am concerned, Mr President, I would be very concerned if people are being treated differently without due cause. There are criteria laid down by the department for the size of vehicles that are permitted in zones. I say to the hon. member of Council that it would be very helpful if, in fact, he passed to me the situation he is referring to because I have difficulty mind reading.

Mr Delaney: I have to ask a supplementary, Mr President. Is the minister aware of petitions that were presented on Tynwald Hill of this year dealing with this very subject?

The President: Minister.

Mr Brown: Mr President, as that is a subject that is potentially a matter for this Court, what I will say is my department sought legal advice from the Attorney-General's Department in relation to the case the hon. member is referring to. We were advised that the criteria and the basis for the criteria we were using were correct. However, I say to the hon. member that, if he is fully aware of the case and has seen all the papers, surely he would have come to the same conclusion.

Mr Delaney: I will be moving the petition.

The President: Hon. member for Douglas West, Mr Shimmin.

Mr Shimmin: Thank you, Mr President. Can the minister confirm whether he is aware that his department is already investigating a number of areas in this matter that had been brought to its attention by myself? The officers are investigating that, but can he confirm that, when a member of the public applies for a work permit, the department trusts the statements that are put down on that application, and it is only subsequently that any errors may actually be investigated?

The President: The hon. member for Castletown, Minister for Transport to reply.

Mr Brown: Certainly, Mr President, we rely on people being honest when they fill out the forms when applying for such a permit. The department will, if necessary, make checks on the basis of some of the information provided if in fact, something is obvious and we are concerned about it. I re-emphasise that, zones in areas sometimes create problems in terms of the amount of spaces available for parking.

We must strike a balance between restricting parking in an area to enable residents to park and providing permits for residents in all towns - not just Douglas - throughout the Island and, on occasions, there are difficulties. However, I am not aware of the department not being fair-handed with dealing with this issue.

The President: Hon. member, Mr Braidwood.

Mr Braidwood: Thank you, Mr President. Is the minister aware that conditions have been varied in the disc zone - (**Mr Delaney:** Hear, hear.) - particularly on Loch Promenade where some of the hoteliers can only park on the sea side and are not allowed to park in front of their own hotels which causes them great difficulty?

The President: Minister to reply.

Mr Brown: Mr President, I am not sure that the situation has been varied. I am going from memory so I may be wrong - I have been known to be wrong in this hon. Court. (*Laughter*) -

Mr Delaney: Every week.

Mr Brown: Like other members, sometimes one's memory fails as one gets older but, I thought that the seaward side of the promenade was not a disc zone.

The President: Hon. member for Peel.

Mrs Hannan: Eaghtyrane, could I ask the minister if anyone has a right to park on the road whether it is outside his property or not?

The President: Minister to reply.

Mr Downie: He does not know the answer.

Mr Delaney: He is the Minister for Transport. (*Laughter*) He is the member responsible.

Mr Brown: The hon. member is, I think, trying to be helpful in making it clear. The public highway is what it is - a public highway. Therefore, it is available to anybody. There are difficulties, which my department recognises, when people are living in areas where there are more cars than there is road space. We have to allow as far as possible for the provision of emergency services to get through areas. There are specific difficulties just off the promenade areas in Douglas where a number of properties have now been converted into flats. People who are staying there have vehicles and that is putting a tremendous pressure on the infrastructure. It is not an easy situation to deal with.

I used to live in the old part of Castletown and there were never enough car parking spaces in the old centre where the roads are very narrow. We also have a statutory restriction on the department as to where it can, in fact, define zones because of the width of highways and that does, on occasions, add another problem for us.

Football Association — Ban on Girls — Question by Mr Singer

The President: We turn to item 7 on the question paper and I call on the hon. member for Ramsey, Mr Singer.

Mr Singer: Thank you, Mr President. I beg leave to ask the Minister for Tourism and Leisure:

Does your department support the Football Association ban on girls playing in football teams in the under-12 leagues?

The President: I call on the Minister for Tourism and Leisure, the hon. member for South Douglas, Mr Cretney, to reply.

Mr Cretney: Yes, Mr President. The department and Sports Council are aware of the identification by the Isle of Man Football Association of problems with the previous arrangements for junior soccer. At the present, time there is no separate junior league for girls under 12 years and a small number of girls have taken part in the boys under-12 league which is, in effect, then a mixed league.

The Isle of Man Football Association is affiliated to the English Football Association. It transpires that the English Football Association rules provide for mixed football at under-10 level and, thereafter, there are separate single-sex leagues. The previous arrangements are therefore in contravention of the rules of the game.

The whole issue is currently under review by the English Football Association and our own Football Association has made representations in support of changing the rules. It is hoped that this may enable the previous arrangements to be re-established. The department and the Sports Council agree that this is the best course of action and hope that there will be a positive outcome.

Equally, it is accepted that the Isle of Man Football Association has to apply the rules as they stand. With regard to the present situation, from February 2001 the department's sports development section with the support of the Isle of Man FA will be running female soccer centres. The centres will take place on the regional pitches on a rotational basis on Saturday mornings. These sessions will cater for girls aged 8 to 14 years. The philosophy is simple: those girls that attend will be put in teams and will literally play under the guidance of coaches. Hopefully, long term, a junior female league will evolve from the centres.

The President: Hon. member for Ramsey.

Mr Singer: I thank the hon. minister for his reply, but does he agree with me that we should be encouraging all children to take part in sport? The introduction of this rule, which the Isle of Man Football Association appears to have ignored for three years, will permit 12-year-old girls only to train with the boys and play in friendlies, but not league matches. That makes the Football Association discriminatory in action. It could result in three or more teams in the under-12 league being unable to complete their fixtures and folding as they rely on this female participation?

The President: Minister to reply.

Mr Cretney: Thank you, Mr President. The first part of the question was whether we are in favour of young people becoming involved in sports of all types. I think the answer is quite apparent. Over the past number of years, significant investment has taken place in relation to sporting facilities on this Island, something of which we should be very proud and something which I hope has encouraged the number of young people to get involved in various elements of sport. That is something we would wish to continue to promote.

In relation to this specific issue, however, it is somewhat difficult in as much as the Isle of Man Football Association is affiliated with the English Football Association. The hon. member is correct that this matter has only recently come to light. However, those are the rules that apply for the time being and therefore the Isle of Man Football Association is obliged, as it is affiliated to the governing body, to apply the rules as they stand. Hopefully, in the not too distant future there may be a reversal of that present policy.

The President: Hon. member, Mr Singer.

Mr Singer: Thank you. Minister would you agree that your tourist board is backing the under-12s Celtic Cup on 4th and 5th May, and that teams from Scotland, Northern Ireland and Eire are taking part in this under-12 competition? If so, does it not seem unbelievable that the Dumfries team, which is

coming here, can field girls in its team, because the Scottish FA allows it to play up to 14 and that it will play against the Isle of Man team from which girls of similar age are banned?

Will you suggest to the Isle of Man Football Association that silly rules are meant to be broken and that because of this kind of dark ages mentality in the UK, the Isle of Man Association should withdraw this rule change for the viable future of football on this Island?

The President: Minister to reply.

Mr Cretney: Mr President, the difference is that the Welsh Football Association and the Scottish Football Association do not have the silly rule. However, the English Football Association to which the Isle of Man Football Association is affiliated does. The sooner it changes it, the better.

Mr Singer: Can I ask a final question?

The President: Hon. member for Ramsey.

Mr Singer: Thank you. The minister is obviously aware that the Welsh football team can play mixed football teams up to 16 and the Scottish up to 14.

The President: Hon. member, I think the minister will reply to that and say he is aware of that. I think that that question was replied to.

Mr Singer: Thank you, but is the hon. minister aware that the English Football Association has stated its intention to deaffiliate any under-12 league team which fields a girl player? That team would not be allowed to play on a football league ground and therefore any football team playing an under-12-year-old girl in a team here would be banned from any Isle of Man Football Association ground. Surely this cannot be right, but does the minister agree?

The President: Minister to reply.

Mr Cretney: Mr President, this is all good political kick-about isn't it?

Mr Singer: No, it is not.

Mr Cretney: However, my understanding is that representations have been made from the Isle of Man Football Association to its governing body the English Football Association to which it has been affiliated for a long time. It seeks a rule change. We support it in seeking a rule change. I do not know what more I can say. This has become a political football.

National Lottery — Commission to Sports Council from Ticket Sales — Question by Mr Houghton

The President: We turn then to item 8 on the order paper and I call upon the hon. member for Douglas North, Mr Houghton.

Mr Houghton: Thank you, Mr President. I beg leave to ask the Minister for Tourism and Leisure:

- (1) *How much of the commission from sale of National Lottery tickets has the Sports Council received from the Treasury; and*
- (2) *how has this sum been distributed between clubs and organisations registered with the Sports Council?*

The President: Minister for Tourism and Leisure, Mr Cretney, to reply.

Mr Cretney: Thank you, Mr President. To date, the Isle of Man Sports Council has received a total sum of £98,000 as part of the excise duty from the sale of National Lottery tickets. It was originally estimated that the final total for the financial year 2000-2001 would be in the region of £130,000. The moneys were provided to the Sports Council, which decided to use them for two specific purposes: the

provision of facilities and equipment to enhance the staging of the 2001 NatWest Island Games and the provision of funding to enable the Isle of Man team to prepare for the games.

Based on the estimate of £130,000, the council has chosen to prioritise the provision of facilities and equipment for the games and to use its own annual funding to support the preparation of the Isle of Man team. At this stage, the council has committed £47,000 of the lottery money on the top priority facilities and equipment. In addition, there are a series of other important items totalling £89,470 that are currently under consideration between the Sports Council and the games organisers.

As hon. members will appreciate from what I have said, the moneys have not specifically been distributed between clubs and organisations registered with the council, although some of the facilities improved are owned by clubs or organisations. Where equipment has been purchased, whilst it is owned by the Sports Council, it will after the games be made available on permanent loan to clubs and organisations.

In addition, if the council receives more than the originally anticipated budget of £130,000 - I know that in answer to a written question by my colleague the Treasury minister indicated that if ticket sales are maintained it could be in the region of £190,000 - it will certainly be looking to apply the balance of that funding to the secondary purpose of Manx team preparation to supplement the £30,000 already committed from the normal annual council budget. That will be in addition to further funding for facilities and equipment.

Finally, I can advise that the department has asked the Treasury to consider making the same provision in respect of betting duty from lottery ticket sales for 2001-2002. In the case of the Sports Council, this money would be utilised to support facilities and equipment with even more local emphasis, this support having to some extent been held back whilst Island Games was a priority.

The President: Hon. member, Mr Houghton.

Mr Houghton: Thank you, Mr President. I thank the hon. minister for his comprehensive reply. Notwithstanding the good causes that the hon. member proposes those funds to go to, does he not think that it is unfair to disallow those sporting organisations that do not participate in the Island Games from receiving a financial allocation? Is this not an improper method of dispersing funds when it was the original intention to use this windfall to complement the existing budgets of sports organisations and not to replace them?

The President: Minister to reply.

Mr Cretney: I certainly do not think it is an improper use of allocation of funds. Clearly, the way the Sports Council determines it will expend the moneys which have been allocated to it is a matter for it. It is very important that the independence of both the Sports Council and the Arts Council should be maintained, so I believe that the money which has been expended, or is intended to be expended, is quite legitimate.

However, I understand where the hon. member is coming from and, if we get the budget allocation on a similar basis for the forthcoming financial year, hopefully, we will be able to do more to support clubs some of which may not be affiliated in terms of their sporting exploits to the Island Games sports.

The President: Hon. member, Douglas East, Mrs Cannell.

Mrs Cannell: Thank you, Mr President. Bearing in mind the hon. minister's reply, am I correct in assuming that the funding of the Isle of Man team, particularly in preparation for next year, will only be £30,000 from the Sports Council which is the normal allocation for preparation, training and coaching et cetera for the Isle of Man sports men, women and youngsters?

Does he consider that, in view of what we are preparing for next year which hopefully will add another feather in the cap for the Isle of Man in terms of sport - (**Mr Houghton:** Hear, hear.) - £30,000 is sufficient to enable our team to prepare and to do the very best for Island sports?

The President: Minister to reply.

Mr Cretney: There are occasions, Mr President, when life can be difficult and when we have to prioritise, and this is one such occasion. It has been determined by the Sports Council, which is charged with this responsibility, that the £30,000 will be sufficient for that purpose.

The President: Hon. member for Onchan, Mr Karran.

Mr Karran: Eaghtyrane, a supplementary. Will the minister clarify that the recent amendment that was put into the gaming legislation in another place could actually reduce the amount of revenue without further negotiation with UK authorities?

Will he assure this hon. House that, if this is the case, the likes of the arts and other organisations that are not sporty and which are into the arts and other things will also get a slice of the cake as far as this income is concerned? Can inform this hon. Court how much of this money is going for arts projects on the Island, not just for sport?

The President: Hon. members, the question on the question paper relates to sports and the Sports Council. (**Members:** Hear, hear.) Minister, I do not know whether you wish to reply or not.

Mr Cretney: I am more than happy to reply, Mr President. I am always happy to oblige and help hon. members in any way I can. (*Laughter*) The arrangement that was arrived at meant that the Arts Council and the Sports Council received funds on an equal basis as a result of the United Kingdom lottery proceeds.

However, the point that the hon. member raised in relation to the amendment, which was passed in the other place, could cause a problem. It could be that funds are shifted from the UK lottery to the scratch cards and, to the best of my knowledge at the present time, there are no arrangements in place for any of that money to go to any purpose whether sporting, art or any other.

The President: Hon. member, Mr Houghton.

Mr Houghton: Yes, thank you, Mr President. Notwithstanding everything the hon. minister has said today, there still are some circumstances that are most unsatisfactory with regard to this funding, et cetera. Would he be willing to arrange a meeting with himself and the Chairman of the Sports Council and other members of Tynwald to discuss this further?

The President: Minister to reply.

Mr Cretney: I would like to have information from the hon. member about his concerns. He has not made them apparent. I will happily meet with myself and the Chairman of the Sports Council at any time! I will happily meet with anybody at any time. However, it would be helpful to have some indication what problem the hon. member has.

Health Services Complaints Procedure — Referral for Independent Advice — Question by Mr Quine

The President: We turn to question number 9. I call on the hon. member for Ayre, Mr Quine.

Mr Quine: Thank you, Mr President. I beg leave to ask the Minister for Health and Social Security:

In order to satisfy paragraph 22.3 of the recently introduced health services complaints procedure, to which source of independent advice is the chairman of the Independent Appeals Tribunal to refer a complaint?

The President: I call on the Minister for Health and Social Security, Mrs Christian, to reply.

Mrs Christian: Thank you, Mr President. I will reply in the sense that I understand the final word in the question should read complainant.

Paragraph 22.3 of the new hospital community complaints procedure does not, in fact, mention an independent source of advice. It does, however, refer to independent help being available to assist the complainant in drawing up a statement setting out their remaining grievances and why they are dissatisfied with the outcome of local resolution.

Also contained in paragraph 22.3 is the comment that, in order to help, the chairman or other member of staff - which in this case would probably be the clerk to the appeal panel - may prepare that statement for the complainant's approval. It is, of course, possible that the chairman might refer them to an advocate or even to a member of Tynwald to provide such independent assistance in drawing up their statement. However, I note the hon. member's concern earlier about natural justice and wonder whether his previous membership of the department under that heading might rule him out.

The President: Hon. member for Ayre.

Mr Quine: Thank you. In discussions, the department has intimated that it is considering the appointment of a patient's advocate. Can the minister advise me what conclusions have been reached in relation to that? Is the department to promote that position?

The President: Minister to reply.

Mrs Christian: Mr President, it is possible that the department will promote that position. At this stage, as the hon. members are aware, the NHS Bill is going through the branches. The complaints procedure which the hon. member is concerned about is a complaints procedure which may in due course be embodied in regulations under that Bill, when enacted. As has been made clear to hon. members of the Court, any concerns that members have will clearly be taken into account before we bring regulations forward.

The hon. member has a clear concern about the availability of some independent advice being available to members of the community. The department is cognisant of the concerns expressed in that regard and will look into developing both its advisory bodies and its complaints procedure in terms of embodying it into regulations.

The President: Hon. member for Ramsey, Mr Singer.

Mr Singer: Thank you. I want to ask the hon. minister a question. Obviously, we want things to be seen to be fair. How can it be seen to be fair when it is recommended that, if a person needs help with drawing up his complaint, that the independent chairman helps him draw up his complaint and then he sits in judgment on his own complaint that he has helped to draw up? Surely somebody else totally independent of the chairman or anybody judging the case should be the person to help draw up that complaint?

The President: Mrs Christian to reply.

Mrs Christian: Mr President, I would not like this to be regarded as a slur on the integrity of those people who are acting as chairman or members of the panel. We are very grateful to those who are prepared to give up their time and to acknowledge the integrity, however they have been

appointed, of the people who are willing to act on that panel. I did indicate before that it would be possible for the clerk to the panel to assist in the drawing up of the final statement.

The objective is to give the best assistance to the complainant to set out the relevant points in relation to the complaint to make it clear to the panel what in the final analysis are the issues that the complainant wishes to be investigated. The hon. member Mr Singer has argued that, in his view, the chairman of the appeal panel would not be sufficiently detached. That infers that, in sitting on that panel, he will not take a detached view and I would reject that.

The chairman of the appeal panel is in a position to assist in helping the complainant state the facts of the case. It is for the panel then to judge them with whatever professional advice they need. If the hon. member feels strongly about this particular issue, many opportunities will arise in the future as we develop the regulations in relation to the whole complaints procedure and he will have the opportunity to make representations.

The President: Hon. member for Council, Mr Delaney.

Mr Delaney: Is it not true, through you, Mr President, that the new procedures are still too heavily loaded in favour of the department and the people around it, rather than to any extra benefit to the ordinary man in the street who may have a genuine complaint against the department? The idea of reviewing the situation was to improve the lessons from which we have learnt over the past years that people are just as important as the establishment.

The President: Minister to reply.

Mrs Christian: I echo the view of my hon. colleague this morning, who said, 'I'm not a mind reader'.

Mr Delaney: Who said that?

Mrs Christian: My hon. colleague Mr Brown referred -

Mr Delaney: Oh, Mr Brown said it.

Mrs Christian: - to the fact that he was not a mind reader in trying to interpret the hon. member Mr Delaney's question. I echo that sentiment. (**A Member:** Hear, hear.) Unless the hon. member can indicate to me why he feels that this new independent panel is not independent and considers that the people who are appointed to that panel do not exercise their authority with some integrity, it is difficult for me to answer the question. I do not concur with his view. If he has a view on that, he needs to come to the department and explain why he feels that the panel not independent.

The President: A final supplementary, hon. member for Ayre, Mr Quine.

Mr Quine: Thank you, Mr President. Surely the minister can accept that, if the appointment of the people to a so-called appeals panel is by the department, it cannot be independent? It is an internal departmental arrangement.

Mr Delaney: Exactly.

Mr Quine: That will not have any public credibility.

The President: Minister to reply.

Mrs Christian: Mr President, if when we bring regulations forward, it is the view of this Court that members of the panel should be appointed outwith the department, I would have no difficulty with that. But I would suggest that notwithstanding that those people have been appointed by the department, they are not puppets. They are people with integrity (**Mr Henderson:** Hear, hear.). They will act with

integrity and those are the sort of people that we want on an independent panel. They are people who will to act as fair arbitrators, judges between the department and the complainant.

Child Care — Lessons Learnt from McManus and Leslie Reports — Question by Mr Houghton

The President: We turn to item 10 and I call on the hon. member for Douglas North, Mr Houghton.

Mr Houghton: Thank you, Mr President. I beg leave to ask the Minister for Health and Social Security:

What has your department learned from -

- (1) the McManus report; and*
- (2) the Leslie report?*

The President: I call on the Minister for Health and Social Security to reply.

Mrs Christian: Mr President, the report of the Commission of Inquiry into child care known as the McManus Inquiry was received in two parts. Part 1 was concerning an investigation into the circumstances surrounding the case of a young man with ME, which was submitted in August 1992. Part 2 covered a general inquiry into child care services on the Island which reported in May 1994.

The Leslie Inquiry was commissioned following the tragic death of a young person on the Island. The inquiry centred upon mental health and child care services.

Various recommendations were made in the report for both inquiries, the great majority of which have been implemented. The relatively small number of recommendations that have not been acted upon were felt by the inter-departmental group which looked at both reports to be inappropriate for the Island, and the hon. member was a part of that group.

As the hon. member will be aware, many of the items recommended in the reports were in the process of being put into place by the department before the inquiries were appointed and before the reports were received. There are two basic ways in which the department has sought to develop its child care and mental health services. The first is by the introduction of appropriate legislation. In 1998, a new and modern Mental Health Act was introduced and the Children and Young Persons Bill 2000 has had its first reading in the House of Keys. This Bill seeks to modernise and improve existing child care legislation in line with best practice.

The second method used by the department to implement the recommendations of the inquiries was to develop comprehensive strategies in both child care and mental health. In 1997, a Children and Family Services Plan was produced covering the years 1997 to 2001. This was updated in 1999. The strategy which was developed on a multi-disciplinary basis has been almost completely implemented, resulting in improvements in professional practice and very significantly improved resources for child care.

A further child care strategy will be developed in the next six months to identify current needs and plan ways to ensure that these needs are met. In 1998, a mental health strategy was approved which led to the development of joint community mental health schemes involving mental health workers and social workers. These teams have led to significant improvements in the delivery of community-based mental health services. Additionally, significant resources have been put in into place to create community-based support services and accommodation for people with mental health problems through a leading voluntary organisation delivering mental health services.

In conclusion, I suggest that the department has been proactive in developing its child care and mental health services. It has allocated significant resources to put into place services with the aim of meeting identified needs of the residents of the Island within a modern legislative framework. Although I can confirm that lessons have been learned from both inquiries, I also suggest that the inquiries confirmed that the work of the department already put into place was appropriate in an attempt to meet unmet need.

The President: Hon. member for Douglas North.

Mr Houghton: Thank you, Mr President. I thank the hon. minister for her comprehensive reply this morning. But is she satisfied that her social services department has the ability to make urgent responses to emergency situations regarding child care? Does she not agree that, in the case where multi-agency conferences are arranged regarding the future welfare of children, they should be pre-empted by appropriate action by her department if delays in convening such a meeting are inevitable?

The President: Mrs Christian to reply.

Mrs Christian: Mr President, I believe that it is important, in the light of experience, that we do involve multi-agency case studies and consideration of particular cases. The hon. member has referred to delays in convening such a meeting. I am not aware that, in any circumstance, that has led to inappropriate action or handling of a particular case.

Widowed Fathers Allowance — Withdrawal — Discrimination — Question by Mr Henderson

The President: We turn then to item 11, hon. members, and I call on the hon. member for Douglas North, Mr Henderson.

Mr Henderson: Thank you, Mr President. I beg leave to ask the Minister for Health and Social Security:

How does your department intend to address the discrimination against men over 45 years of age following the removal of the widowed fathers allowance?

The President: Again I call on the Member for Council, Mrs Christian, Minister for Health and Social Security to reply.

Mrs Christian: Mr President, the hon. member is in the habit of asking somewhat confusing questions. The department does not need to address an issue which does not exist. There will be no discrimination against men over 45 years of age when the Welfare Reform and Pensions Act 1999 applies in the Island from next April. This was made clear, in the papers circulated for the October sitting of the Court, in respect of item 18, on the order paper of that sitting. That item was, incidentally, supported by the hon. member.

From next April widowed fathers will be entitled to widowed parents allowance with the same rate of benefit as now, subject to the benefit uprating, effective from April. There could indeed be an advantage to certain men over the present position. Under widowed fathers allowance, as it stands, only Isle of Man contributions apply because it is a purely Isle of Man benefit. A widowed father with a mixture of Isle of Man and United Kingdom contributions could, at the moment, receive less than the standard rate.

However, because the United Kingdom have now introduced widowed parents allowance, which is a reciprocal benefit, a Manx widowed father will be able to count any United Kingdom contributions towards the benefit as well as his Manx contributions.

The President: Hon. member for Douglas North, Mr Henderson.

Mr Henderson: Thank you, Mr President. I thank the hon. minister for unravelling a confusing situation, which I am not confused about. Could she confirm that there has been a situation that has caused concern? Males attaining the age of 45 years, and over, who have child care responsibilities, have not been in receipt of any allowance, whereas a woman in the same circumstance has been able to receive a degree of her pension.

The President: Minister to reply.

Mrs Christian: Mr President, the question relates to discrimination following the removal of widowed fathers allowance. The question I have answered is that question. When widowed fathers allowance is removed, there will be no discrimination. The current position in relation to fathers over 45, who do not have dependent children, is different from the position of widows.

The hon. member referred to fathers over 45 who do have children. The position is that if, under the new system, fathers over 45 do have children there will be no discrimination between them and widows. There will be a difference in relation to both men and women over 45 without dependent children when the new scheme comes in to effect, but the difference applies equally to both men and women.

Police — Foot Patrols — Question by Mr Houghton

The President: Item 12, hon. member for Douglas North, Mr Houghton.

Mr Houghton: Thank you, Mr President. I beg leave to ask the Minister for Home Affairs:

Has the Chief Constable abandoned his policy of officers undertaking high visibility foot patrols?

The President: Minister for Home Affairs, hon. member Mr Bell, to reply.

Mr Bell: Thank you, Mr President. The Chief Constable has not abandoned his policy of officers undertaking high visibility foot patrols. The first priority of the policing plan for 2000-2001 is highly visible foot patrols at times and in places where demand is greatest.

The target figure in the policing plan was to increase foot patrols by 10 per cent. In fact, during the period from 1st April to the end of October this year, the increase in foot patrols over the three divisional areas has been: A Division, which is the northern area, by 58.7 per cent; B Division, which consists of Douglas, Onchan and Braddan, by 28.4 per cent, and C Division, which is the south and west, by 33.3 per cent. These are considerable increases, especially given the demands which the force has had to face during this year, which has inevitably had an effect on the availability of staff for foot patrols.

An important aspect of foot patrols is supervisory visits to licensed premises. In the same seven-month period, April to October, the police have increased such visits by 63.2 per cent, as set against a target increase of 10 per cent. I am sure the hon. member will agree that the increases I have outlined above are to be commended, especially when taken in conjunction with the fact that the number of recorded assaults in the same period fell by 31 per cent.

Consultation is already underway as part of the preparation for the next policing plan. Early indications show that the public still views foot patrols as being important. Therefore, although the plan itself will not be published until spring of next year, it is almost certain that a further increase in foot patrols will be one of the main targets set for the police.

The President: Hon. member for Douglas North, Mr Houghton.

Mr Houghton: Thank you, Mr President. Notwithstanding the hon. minister's answer to this Court today, may I ask if the minister can explain why, on the nights of 17th, 24th and 25th November, during

a five-hour peak period, there were no foot patrols in Douglas town centre at all, although there were hundreds of drunken people going completely unchecked by police? How does this equate with the force slogan 'community safety is our primary goal'?

The President: I do not want to widen it into a full debate, but minister to reply.

Mr Bell: I can only assume, Mr President, that the hon. member was in the wrong place at the wrong time, (**A Member:** Oh!) because on the nights that he refers to the level of policing in central Douglas was the same as normal.

A Member: Zero.

Mr Bell: The level is 15 officers between the hours of midnight and 3 a.m., which is the peak time for policing. It is very easy for members, especially in an election year, to make wild claims that law and order is breaking down. I have checked the accusations that the hon. member has made, and the officers that were on duty that night. But even he, who has experience of the Special Constabulary, must be aware that, for a period of time, officers may be drawn away to deal with a particular incident. I am not sure what part of Douglas the hon. member stations himself in on those nights, but it could well be that officers were drawn away for a particular activity while the hon. member was himself on patrol.

The President: Hon. member for Council, Mr Delaney.

Mr Delaney: Thank you, Mr President. That is all very well, but would the minister answer this question? Are you aware of how many times the Chief Constable has gone out himself to witness what members of the public and I have seen, the lack of a police presence in recent months down in Strand Street and Douglas area generally? How many times has the Chief Constable gone out to witness himself that fact?

Mr Bell: Mr President, the Chief Constable is sitting in this hon. chamber this morning. I am sure the hon. -

Mr Delaney: He is there; that is why I am asking him. I am not scared to ask him.

Mr Bell: - he may, at some point, answer the question himself. Mr President, can I just make one point? It is normal for members of this hon. Court, in election year, to start hyping up law and order but I want just to allay public fears on this. We are hearing accusations of lack of police presence. Douglas is B Division. Just to reassure people, I can say that the level of crime reported from 1st April this year to 30th November shows a decrease in that period, over last year, of all crimes by 14.2 per cent. Violence is down by 32.9 per cent, burglary of dwellings by 34.8 per cent, other burglaries are down by 31 per cent, criminal damage is down by 2 per cent, taking without consent by 48.4 per cent and traffic accidents are down 3.2 per cent. This clearly indicates that the police are having an impact on crime levels on the Island. It is unfortunate that members should try to hype up this situation in the manner they are doing this morning.

The President: Hon. member for Ayre.

Mr Quine: Thank you, Mr President. As one who has recognised the improvement in the police force, can I just ask one question? Is the Chief Constable satisfied with the level that he is able to provide of senior supervision of foot patrols? Because it is one thing to have the men on the ground, (**A Member:** Hear, hear.) but another thing to have them on the ground under supervision.

If the minister is not able to make a statement now, could he check the position and advise that? If the normal system prevails, the Chief Constable will be able to look at senior supervising officers notebooks and ascertain the level of supervision. That is fundamental to this position.

The President: Minister to reply.

Mr Bell: Mr President, I have no evidence at this stage that the Chief Constable is unhappy with the situation. I can only repeat that the position on the nights in question was the same as any other weekend arrangement.

The President: Hon. member, Mr Karran.

Mr Karran: Eaghtyrane, I would just like to thank the minister. People have said to me that the police are more visible now than they have been for years. I would also like the minister to reconsider or discuss the issue of the wearing of name badges.

The President: Hon. member, wearing of name badges (**A Member:** Hear, hear.) has nothing to do with the question on the order paper.

Mr Karran: Well, Eaghtyrane, allowing for the increase in the visibility of the foot patrols, does the minister not agree that he needs to revisit the issue of whether there should be name badges? Their families are not part of the police force and they deserve to have their anonymity.

Members: Hear, hear.

The President: Hon. member, thank you. We turn to hon. member Mr Cretney.

Mr Cretney: Thank you, Mr President. Would the minister, agree with that in the last 12 months there have been a number of high profile major issues which have required the police on occasions (**Members:** Hear, hear.) not to be as visible as we would like? Secondly, despite that, would he agree that the detection rate for crime on the Isle of Man is double that which exists in the United Kingdom?

The President: Minister to reply.

Mr Bell: Mr President, I thank the hon. member for South Douglas for those helpful comments. Most members who have been following the police activity over the last 12 months will have recognised that the police have been faced with an absolutely unprecedented series of very major events, including murders, manslaughters and major drug activities, the *Solway Harvester* and several other issues. This has made a tremendous demand on police time. Our police service has done an absolutely superb job during that period in being able to detect these crimes, in very difficult circumstances in some cases. We should be giving them credit, not slagging them off because they have not been seen on street corners.

The hon. member also refers to the fact that the detection rate runs at approximately twice the level to that of United Kingdom. The HMIC report shows that, out of 43 forces in the whole of the United Kingdom, the Isle of Man comes, about 6th bottom in terms of the level of actual recorded crime. The Isle of Man, in spite of what is being presented from time to time, is still an exceptionally low crime area, and is blessed with an exceptionally efficient and professional police force, of which we should all be very proud.

The President: Hon. member Douglas South, Mr Duggan.

Mr Duggan: Mr President, would the minister confirm that there will be even more bobbies on the beat very shortly because extra police officers are now coming through and being trained? Will they not be visible on the streets of the Borough of Douglas and other parts of the Island very shortly?

The President: Minister.

Mr Bell: Mr President, again I thank the hon. member for his comment. Some 16 or 17 new officers have just come out of probation and, in the last two or three weeks, have been going on patrol by themselves. That will have some impact (**A Member:** Hear, hear.) on visibility as well as the effectiveness of the policing.

The President: Member for Douglas North, Mr Henderson.

Mr Henderson: Thank you, Mr President. Could the hon. minister confirm for the Court that the issue of hardworking staff is not at issue? We appreciate that very much. (**A Member:** Hear, hear.) Can he confirm that Friday and Saturday nights in Douglas, especially from midnight onwards are hot spots - continuous hot spots? Would he also confirm that 15 officers on duty after midnight are insufficient to deal with the nature of the increasing violence.

The President: Hon. members, we are insisting on discussing matters away from the question on the question paper. Minister, keep your reply brief if you would, please.

Mr Bell: I note the member's comments. (*Laughter*)

The President: Hon. member, Mr Delaney.

Mr Delaney: Mr President, in an early answer to the question as laid down, the minister indicated there was no change in the policy.

Mr Bell: Right.

Mr Delaney: In later answers, he said that there was no possibility of carrying out the policy because of other commitments by the police. If he had given us that answer in the first place, we would have saved the supplementaries.

The minister then went on to quote percentages. Is it not also a fact that the same report indicates that there is a major problem with chief officers fighting between themselves within the constabulary?

The President: Minister to reply, and you can ignore the last part, sir. It is not relevant to the question paper.

Mr Bell: Yes, I think the festive spirit seems to have entered into the questioning already this morning. I really cannot understand what the member is talking about.

Mr Delaney: You have given two different answers to the same question.

Mr Bell: Mr. President, if the hon. member had listened to the answer in the first place he would have realised what he was being told. The increase in foot patrols, which is very substantial over the last seven months and the major reduction in criminal activity during that period has been carried out despite the fact that the police have had to face a unprecedented series of very major issues such as several murders, major drug busts and a number of other very serious offences. These two issues have been going on in parallel (**A Member:** Hear, hear.) and instead of criticising the Chief Constable and the police force, he ought to recognise the superb job they have done in extremely difficult circumstances.

Members: Hear, hear.

Mr Delaney: They should stop fighting between themselves and get on with it.

Police — Use of CS Gas — Question by Mrs Hannan

The President: Item 13, I call on the hon. member for Peel, Mrs Hannan.

Mrs Hannan: Eaghtyrane, I beg leave to ask the Minister for Home Affairs:

- (1) *How many times has CS gas been used by the Isle of Man Constabulary;*
- (2) *does it have any long-term side effects for the public or police officers; and*
- (3) *if it does, are there any alternatives to its use?*

The President: The Minister for Home Affairs to reply.

Mr Bell: Mr President, The use of CS incapacitation spray for patrol officers in the Isle of Man Constabulary has yet to commence. There has been no usage to date. Officers are currently undergoing a rigorous training package with a view to force-wide implementation before Christmas. However, the constabulary has been in possession of CS incapacitation spray for many years for use in siege scenarios where the only authorised users were authorised firearm officers. CS spray has never been used in this sphere either.

CS spray has gone through a rigorous testing programme, similar to that for a new medicine. This has been carried out by the Ministry of Defence and, more recently, by the police scientific support branch of the Home Office. This has established that there are no long term side effects for either members of the public or the police.

Even though there are no long-term side effects, it must be stressed that CS spray is only to be used by officers to defend themselves and its use must be reasonable in the circumstances. Use of CS spray is not the first option, but, it is considered to be a more suitable means of protection than the baton which can cause serious long-term injury. Alternatives to the use of CS spray are police batons, handcuffs and physical defence tactics.

The President: Hon. member for Peel.

Mrs Hannan: Thank you, Eaghtyrane. Could I ask the minister when this CS gas is used - and obviously it is used in other places - do the police have safety equipment? Do they have masks which they can use? Do they have anything with which to protect themselves? Would the minister not agree, that police officers who use it on a regular basis - will come into contact with it more than offenders?

The President: Minister to reply.

Mr Bell: First of all, Mr President, can I say that it is extremely unlikely that the police are going to use it on regular occasions. It is only for use when a policeman is attacked and in a defensive mode. They are not ordinarily issued with masks in this situation because, obviously, a police officer out on foot patrol will not know when an attack may take place and therefore will not necessarily be equipped for it.

In specific situations, as I referred to, such as siege positions, that may be different. There may well be a need for some further protection at that stage. But the position at the moment is that all officers on street patrol will be trained in its use, and have possession of it for their protection during their working period.

The President: Hon. member for Peel.

Mrs Hannan: Could I ask the minister how long CS gas has been used? Has it got a long history? Does it have any side effects, does it have any carcinogenic effects?

The President: Minister to reply.

Mr Bell: I do not know exactly how long it has been used, Mr President, but it is a good number of years now. As I told the hon. member, extremely rigorous tests were carried out on CS spray and its effects. These tests have been carried out by the Ministry of Defence and by the police scientific support branch of the Home Office. To date, there have been no indications at all of any damaging side effects of the use.

The President: Hon. member for Douglas South, Mr Cretney.

Mr Cretney: Mr President, would the minister agree with me that it is a matter of regret that CS gas has to be considered at all in the Isle of Man? It is only on the basis of an increasing number of attacks on police officers, in the day-to-day performance of their duty, that this has come about.

Members: Hear, hear.

Mr Houghton: Under the influence of alcohol.

The President: Minister.

Mr Delaney: It shows a breakdown of law and order.

Mr Bell: Yes, I agree entirely with the hon. member. It is regrettable. Attacks have taken place on police officers, which I am sure most members in here would feel is totally unacceptable. Therefore, we have to do our best to give the police, who are the guardians of the peace of all of us on the Island, the protection they need. We have done that by giving them CS spray and body armour, and we will do whatever else is necessary to make sure that the police, who are working for the good of all the community, can do so as safely as possible.

The President: Final supplementary, hon. member for Peel.

Mrs Hannan: Thank you, Eaghtyrane. Would the minister agree that most of the offences and attacks on police officers take place because of the use of alcohol?

A Member: Hear, hear.

The President: Minister.

Mr Bell: Not necessarily.

Teachers — Consultation over Educational Initiatives — Question by Mr Rimington

The President: We turn then to item 14 on the question paper. I call on the hon. member for Rushen, Mr Rimington.

Mr Rimington: I beg leave to ask the Minister for Education:

At what stage are the professional teaching staff in the Department of Education schools consulted, prior to their introduction, on new educational initiatives?

The President: I call on the Minister for Education, hon. member for Garff to reply.

Mr Rodan: Mr President, the answer to this question depends largely upon the nature of the initiative. For some initiatives, it is entirely appropriate that the department consults only with, perhaps, the Board of Education or head teachers. An example of this might be delegated financial management, which gives schools their own budgets. The major impact of such changes will be on elected board members and head teachers.

For other initiatives it is more appropriate to consult with teachers, trade unions. An example of this is the recent change in teachers salaries. The reason for this is that the trade unions represent the majority of teachers employed by the department.

The department has a well-established mechanism for consulting the appropriate group. The Department of Education has an intense timetable of meetings with teaching staff over the course of each school year, at which the director and his senior staff discuss a wide range of issues along the policy, planning and practice spectrum. The most frequent of such meetings are those with head teachers, of both primary and secondary schools, together with the principal of the Isle of Man College. These primary head teacher and separate secondary, FE meetings are both held separately each

month, and at times fortnightly, and contribute to policy formulation, feedback, strategic and operational issues as well as day-to-day matters.

The union representatives for school teachers also meet six times per year with the director, and meet with myself formally a further three times a year. Again, the agenda for these meetings are comprehensive and nothing is excluded. Isle of Man College lecturers meet education officers through their joint consultative committee seven times per year. The joint negotiating committee for the Isle of Man College, including college principal, director and on and off Island association officials meet six times per year.

On a more informal level, the department's advisors and support staff are in daily contact with teaching staff through their visits to schools. Their role is not only to offer professional advice to teachers, but also to act as a conduit for advice to the department, board members and school governors on issues relating to policy and practice. In addition, the department also makes extensive use of working parties which are set up on an ad hoc basis to inform and advise on initiatives as they arise.

Members of the Board of Education, who make up the majority of the governors of the schools, are also in regular contact with teaching staff. They feed comments from staff back to the department's members, officers and head teachers. The introduction of some initiatives is carried out on a trialling basis; literacy and numeracy in primary schools are examples of this. Both initiatives were trialled for 12 months by all teachers before being formally introduced as part of the department's curriculum.

In conclusion, I emphasise that the consultation process for the introduction of initiatives varies according to the nature of the initiative and who it most affects. The stage therefore at which different levels of professional staff are consulted will also vary, dependent on the nature of the specific initiative.

The President: Hon. member for Rushen, Mr Rimington.

Mr Rimington: Thank you, Mr President. I thank the hon. minister for his extensive reply on the levels of consultation that have taken place. The question says, 'prior to introduction'. When education initiatives are brought in, or before they are placed as something that is going to be brought in, is there consultation with the teaching staff?

Could the hon. minister reconcile his views on developing the identity culture and autonomy of our small nation with his department's wholesale adoption of educational changes introduced by the UK Government? Could he identify the educational philosophy upon which the adoption of these numerous initiatives is based on?

The President: Minister to reply.

Mr Rodan: First of all, Mr President, the department does not undergo wholesale adoption of UK educational initiatives. It ensures that there is the proper consultation at the proper stage prior to introducing such initiatives.

An example of this would be Key Stage 3 SATs, which is standardised testing in secondary schools for 14-year-olds - they cover the age 12 to 14 - which has only been made compulsory this year. Previously it was on a voluntary basis. That is an example of where we did not follow the UK. Another example is Ofsted inspections, where a period of some seven or eight years passed before the decision was made to implement that particular UK initiative.

I could list several others, but those examples show that we do not as a matter of principle or policy automatically implement everything that the adjacent island does.

The President: Hon. member for Douglas West, Mr Shimmin.

Mr Shimmin: Thank you, Mr President. What advice would the minister give to individual teachers, or staff in schools, who are given instructions regarding these new initiatives by their head teacher which differ substantially from instructions given in other schools?

Would the minister consider it acceptable for an individual teacher to seek guidance directly from the department, for clarification or interpretation, or must individual teachers follow any instructions given to them by the head teacher?

The President: Minister to reply.

Mr Rodan: Mr President, the head teacher and his or her management team are responsible for the management of their schools. In the first instance, if staff have any problem they, as in every other occupation, discuss it with their line manager, who in this case is the head teacher. Staff have the facility to approach their professional representatives if there is a particular difficulty over which they may help. As I have described, I and my department have a regular series of meetings with such professional representatives.

The President: Hon. member, Mr Henderson.

Mr Henderson: Thank you, Mr President. Could the hon. minister confirm that the Department of Education will undertake one of the most comprehensive consultative exercises very shortly, and has spent some considerable time working this up?

The President: Minister to reply.

Mr Rodan: Yes, Mr President, I can confirm that the department, for the better accumulation of specific data and to be better informed about what is going on at the coalface within the classroom, is undertaking a direct survey of all its teaching staff. We are asking whether they are in teaching unions or not, so that we may have useful information with which to deal with our consultations during the regular series of meetings with representatives of the teaching profession.

The President: Hon. member for Rushen, Mr Rimington.

Mr Rimington: Given the *Concise Oxford Dictionary* definition of a profession, which is a vocation or calling, especially one that involves some branch of advanced learning or science, would the minister reassure this Court and the teaching profession that he will value their knowledge and experience by consulting with them more widely in the future, prior to the introduction of new initiatives?

The President: Minister.

Mr Rodan: Mr President, I am not quite clear what the hon. member wishes me to do. I have described the mechanisms that are in place for consultation with the teaching profession, at various stages, dependent on the particular initiative. If he is asking me to agree with him and his definition of a professional, then, yes, of course, I agree with that.

Professional teachers, I like to think that the department deal with professionally in all our dealings and our interactions with them. They have one of the most difficult and one of the most important jobs in society today, which is the preparation of our young people for life in the future in the outside world. It is not an easy job. We in the department recognise that it is not easy, which is why we have in place structures to better assist teachers in the discharge of their professional responsibilities.

The President: Hon. member for Onchan, Mr Cannell.

Mr Cannell: Thank you, Mr President. I have a supplementary. Would the hon. minister assure me and other hon. members of this Court that where experienced teachers of the Isle of Man have

strong views on particular topics such as new educational initiatives, as described in the hon. member for Rushen's question, that the expression of those views, done properly and in the correct place, will not be discriminated against in any future applications that they make for promotion?

The President: Minister to reply.

Mr Rodan: Mr President, members of the teaching profession with strong views do express those views and have various professional opportunities to do so. If, despite that, the hon. member has any evidence of any sort that improper considerations of procedures are being applied in an individual case, I should be grateful for the information about where this is happening.

The President: Hon. member, Mr Karran.

Mr Karran: Eaghtyrane, I have a supplementary question. Can the Minister for Education inform this hon. Court of the initiatives that he claims have not brought in the United Kingdom? It would be interesting to know what ones have not been followed blindly by us, but not by the United Kingdom.

Mr Rodan: Mr President, I refer the hon. member to my original answer to the first supplementary.

MRSA — Procedures to Prevent Spread — Question by Mrs Cannell

The President: Hon. members, at the last sitting the hon. member for Douglas East was indisposed. Her question was not put and neither was it withdrawn. It has been prepared on Question Paper No. 2 and I call on the hon. member for Douglas East, Mrs Cannell.

Mrs Cannell: Thank you, Mr President. I beg leave to ask the Minister for Health and Social Security:

- (1) *What procedures and protocols are in place in the Island's hospitals, residential and nursing homes to prevent the spread of MRSA; and*
- (2) *what can the general public do to prevent its spread?*

The President: To reply is the Minister for Health and Social Security, Mrs Christian.

Mrs Christian: Thank you, Mr President. I can confirm that the department's infection control procedures contain detailed protocols, the purpose of which is to reduce the risk of instances of MRSA infection within hospitals and community care areas. The procedures are set out in a comprehensive manual, which has been circulated to approximately 250 sites where a risk has been identified.

The approach is designed on the basis of perceived risk and deals with patients, visitors, residents and staff. Infection control protocols are extremely detailed and the manual contains 21 pages alone devoted to MRSA. In broad terms, the advice relates to the course of action to be taken in relation to those colonised or infected with MRSA. Such action includes the screening of patients on admissions including patients transferred from UK hospitals; the isolation of patients and the commencement of recommended standards of treatment.

In addition, all staff are screened through occupational health, and advice is given to all concerned on the risks of the spread of MRSA.

In relation to the second part of the hon. member's question, the hospital service has issued an information leaflet, which gives advice in relation to the avoidance of taking antibiotics unless absolutely necessary, general advice on hygiene and, in particular, ensuring that hands are washed properly and the importance of seeking advice from health care professionals, such as GPs where concerns arise. Such advice is in line with the UK expert report issued to all health authorities.

The President: Hon. member, Douglas East.

Mrs Cannell: Thank you, Mr President. I am grateful for the response from the hon. minister this morning. Will she provide improved literature information for family members who are patients of MRSA, in terms of what they can do at home to prevent the spread of MRSA? At present, the information booklet to which, I believe, the hon. minister referred is wholly inadequate to fully address all of the concerns that may be posed by family members in the prevention of the spread of this particular infection.

The President: Minister to reply.

Mrs Christian: Mr President, I will discuss the issue of the literature with the hon. member to establish precisely what her concerns are in relation to its adequacy or otherwise. I emphasise, for the population at large, that basic hygienic practice is valuable in controlling the spread of MRSA. Basic laundry procedures, in fact, will deal with MRSA on clothing, linen, curtains or whatever else it may be. This is a worldwide problem in the sense that resistant strains of bacteria have developed because of the behaviour of humans.

There has, in the past, been profligate use, one might say, of antibiotics and we are now reaping what we have sown. However, I am pleased to see that the use of antibiotics in the Isle of Man is in a steady decline, reflecting the appropriate prescribing of antibiotics. There are other areas, such as the use of antibacterial cleaning products in the home, which we are sold very vigorously, but which are not essential and in fact may be doing more harm than good in terms of the development of resistant strains.

I concur with the hon. member that we can take a look at that literature and I will discuss with her how she feels family members are not being best advised. I hope that they are and that they do feel free to discuss these issues in relation to their family members with the professionals who are caring for them.

The President: Hon. member for Douglas South, Mr Duggan.

Mr Duggan: Thank you, Mr President. I ask the minister whether the staff are screened regularly for MRSA.

The President: Minister.

Mrs Christian: Mr President, when new staff are employed either by the department or in residential or nursing homes or in any other part of the service where there is perceived to be a risk, yes, they are screened. If someone is identified as being colonised with MRSA, which, in fact many people can be without suffering any detriment, if they are in the service they are obviously treated until they are clear and then can go back to work. If there is a development of MRSA in any ward, for example, then all the staff concerned are screened and, if necessary, remain off work until they are clear of the infection.

The President: Hon. member of the Council, Mr Waft.

Mr Waft: Thank you, Mr President. While we are on about procedures, protocols, facilities, the prevention of illness and diagnosis, will your department, minister, review the need for a magnetic resonance imaging facility, commonly known as an MRI machine on the Island?

The President: Minister.

Mrs Christian: Mr President, the hon. member stretches the question beyond belief. However, the health service is conscious of the usage of MRI screening off Island and the need to send people away. So far as the new hospital is concerned, there will be space there for MRI equipment. We will

endeavour, in due course, to see if we can get some funding, voluntary or otherwise to produce such equipment in the Island.

The President: Hon. member for Peel, Mrs Hannan.

Mrs Hannan: Thank you, Eaghtyrane. With regard to hand washing, will the minister review the position of taps? Taps are deemed to be carriers of a lot of infection. If one washes one's hands one turns taps on and then turns them off when one has washed them. Perhaps taps could be reconsidered and may be infra-red or something like that, so one does not touch them. Would the minister not also agree that this could also be reviewed throughout the whole of government?

The President: Minister, the plumber.

Mrs Christian: Yes, Mr President. The hon. member has made a valid point in relation to possible reinfection from taps. I am not sure that we have the resources to move to infra red throughout the service. The design of taps that we are using currently or should move to will be looked at to minimise re-infection. However, I emphasise that MRSA can come into the Island on people who are not involved with the health service, so we all just simply have to be vigilant in terms of basic hygiene factors both in our homes and elsewhere. If the infection control group within hospitals felt there was an issue to be tackled in terms of attacks, I am sure they would refer that to the department.

**Manx Electricity Authority — Operation of Diesel Sets —
Question by Mr Rimington for Written Answer**

Question 15

The hon. member for Rushen, Mr Rimington, to ask the Minister for Trade and Industry:

In respect of each diesel set employed by the Manx Electricity Authority -

- (1) *what were the total hours operated and the total electrical output (in megawatt hours) in 1999*
- (2) *what are the life time operating hours to date; and*
- (3) *what is the nominal life expectancy (in operating hours?)*

Answer

- (1) (a) Statistics are compiled in respect of fiscal years, and the total hours operated by each diesel set employed by the authority in the year to March 2000 were as follows:

Pulrose D	28,799 hours
Pulrose B & C	166 hours
Peel	22,311 hours
Ramsey	507 hours

51,783 hours

- (b) the total electrical output of each diesel set in the same period was as follows:

Pulrose D	190,865 MWh
Pulrose B & C	457 MWh
Peel	148,828 MWh
Ramsey	771 MWh

340,921 MWh

(2) The average lifetime operating hours of each set of generators is as follows:

Pulrose D	68,000 hours
Pulrose B & C	91,000 hours
Peel	24,000 hours
Ramsey	78,000 hours

(3) Subject to proper maintenance, the nominal life expectancy of each set is in the region of 100,000 operating hours.

Ballaugh — Flooding — Question by the Speaker for Written Answer

Question 16

The hon. member for Michael, Mr Speaker, to ask the Minister for Transport:

- (1) *Will you give a reasoned explanation why, for over two years, your department has been unable to resolve the constant flooding of the main highway in front of Hunter's Croft, Ballaugh; and*
- (2) *what are your detailed proposals to address the matter?*

Answer

I am advised that for as long as anybody can remember there have been two drain holes in the kerb adjacent to Hunter's Croft, Ballaugh. These took water off the road into Hunter's Croft grounds. In the very late 1970s or early 1980s a bungalow was built on the grounds. As part of this work a soakaway system was installed by the builder in the lower part of the grounds. This system worked relatively well for many years, until new owners purchased the property in 1998.

After this time flooding started to occur on the main road. On 27th December 1998 serious flooding occurred at this location which resulted in two members of the Works staff, who knew the area attending the scene to resolve the flooding. They entered the garden of Hunter's Croft to clear the drain hole as would have happened many times in the past, the owner raised objections and asked them to leave his property, which they did.

On 7th May 1999 the department served notice on the owners of Hunter's Croft, as provided for under the statutory provisions of the Highways Act 1986. The owners appealed to the High Bailiff, as provided for in the Highways Act.

During the court proceedings, which were held in July 1999, my department publicly apologised to the owners for the manner in which the staff of my department had entered onto their property.

The department has been endeavouring to reach an amicable solution to this problem, however, to-date such an agreement has not been achieved with the owners of Hunter's Croft.

My department has continued to try to resolve this matter and recently discussions were again held with the Attorney-General's Chambers in order to identify how the department could progress this issue to a satisfactory conclusion.

In the meantime staff of my department attend to the problem of flooding and on a routine basis to clear the drains of any blockages.

My department is concerned at the serious flooding which occurs in this area and will take the necessary actions to find a final solution to the problem. However like all departments of government we can only act within the powers provided within the legislation available to the department.

My department is satisfied that the soakaway system installed by the builder of Hunter's Croft is adequate to address the storm water flows in the area, so long as the drain holes are not obstructed.

Marine Drive — Stability of 'Horse Leap' — Question by Mr Henderson for Written Answer

Question 17

The hon. member for Douglas North, Mr Henderson, to ask the Minister for Transport:

- (1) *Is a survey of the stability of the 'Horse Leap' section of Marine Drive based on six core samples sufficient to establish whether the section satisfies public safety requirements;*
- (2) *has your department received the results of such a survey;*
- (3) *if so, what are they; and*
- (4) *do they meet the insurance and legal standards placed on your department?*

Answer

- (1) I can confirm that we are guided by our geological consultants on the requirements for the number of bore holes necessary to formulate an opinion on the safety of the collapsed section at Horse Leap. At present they envisage 8 core samples in a carefully chosen pattern to identify any underlying problem.
- (2) I have not yet received the results of the survey.
- (3) +
- (4) Until I receive the results of the survey and the consultant's report I cannot answer these questions, however I can again assure the hon. member that public safety will be the paramount consideration taken into account when the decision is taken whether or not to reopen the road.

Marine Drive — Survey — Question by Mr Henderson for Written Answer

Question 18

The hon. member for Douglas North, Mr Henderson, to ask the Minister for Transport:

- (1) *Why is it necessary to open Marine Drive temporarily and undertake remedial works on this road in order to do so;*
- (2) *have you conducted an appropriate survey prior to undertaking the remedial works; and*
- (3) *if so, how was the data for the survey collected, and how was it evaluated?*

Answer

- (1) I refer the hon. member to my recent previous answers to questions both in Tynwald and the House of Keys;
- (2) yes;
- (3) the investigation has been carried out in two parts:
 - (a) a thorough visual inspection of the rock face above the road and of the slip area below the road, was carried out by the geological consultant employed by the department;

- (b) following this inspection approximately 12 x 100mm diameter rotary cores were drilled down to the rock head to identify the nature of the underlying ground. The nature of the cores is visually logged and inspected to determine the precise nature of the underlying ground.

Marine Drive — Ecological Survey — Question by Mr Henderson for Written Answer

Question 19

The hon. member for Douglas North, Mr Henderson, to ask the Minister for Transport:

Will an ecological survey be undertaken, and the results laid before Tynwald, before a decision is taken by your department to open Marine Drive temporarily to traffic?

Answer

No.

Health Services Complaints Procedure — Independent Appeals Tribunal — Question by Mr Quine for Written Answer

Question 20

The hon. member for Ayre, Mr Quine, to ask the Minister for Health and Social Security:

With regard to the recently introduced health services complaints procedure -

- (1) who has been appointed as the chairman, and who have been appointed as the members, of the independent appeals tribunal;*
- (2) what are the qualifications and experience of each appointee which are relevant to their appointment to the independent appeals tribunal;*
- (3) were members of Tynwald and of local authorities invited by your department to nominate persons who might be considered as the chairman or as a member of the independent appeals tribunal; and*
- (4) in the event that such nominations were invited, how many persons were appointed to the tribunal who were the subject of nominations made by members of Tynwald (other than those serving in your department) and of local authorities?*

Answer

- (1) The following six people have been appointed to form a Complaints Panel, from which three will be drawn on each necessary occasion to form an Appeals Body under the new hospital & community complaints procedure. Two members of the panel have been identified as chairmen and are indicated as such:

Mrs B McKinney	(Chairman)
Mr M Coleman	(Chairman)
Miss B Clucas	(Member)
Mrs P Corlett	(Member)
Mr H Galbraith	(Member)
Mrs M Kennaugh	(Member)

- (2) The hon. member will be aware that there are no formal qualifications required in order to serve on such a body as this, or indeed on many other such bodies appointed by government and its departments.

Those persons who have agreed to carry out this task were approached because they were seen to possess the following attributes, skills and experience that when brought together, would ensure that any appeal heard under the new complaints procedure would be dealt with in a fair and sensitive manner:

fair-mindedness;

assertiveness;

independence of thinking;

experience of health services;

experience of committee structures and organisational procedures;

willingness to devote their time to providing such a service for the benefit of the community.

Taking questions (3) and (4) together, members of Tynwald or of local authorities were not invited to nominate persons for the panel. The hon. member will be aware that this is not normal practice in any event. What my department did do in order to ensure that everyone on the Island was given an opportunity to become involved, was to advertise in the local press for anyone interested to submit their name for membership of committees to be established in connection with running the Island's NHS and monitoring the services provided.

The department is fortunate indeed to have secured the services of the six individuals referred to, particularly when the numbers willing to undertake public service in this way appear to be in decline. Given their particular backgrounds and experience, the department has every confidence in their ability to undertake the difficult and sensitive tasks required of them by the complaints procedure.

State Pensions — Contribution Conditions — Question by Mrs Hannan for Written Answer

Question 21

The hon. member for Peel, Mrs Hannan, to ask the Minister for Health and Social Security:

- (1) *What contribution conditions must be satisfied in order to be entitled to a full state pension; and*
- (2) *can additional contribution years be purchased in order to qualify for such a pension?*

Answer

State Retirement Pension

There are two categories of state retirement pension which are based on the payment of national insurance contributions. Category A pensions are based on an individual's own contributions. Category B pensions are based on the contribution record of a husband or deceased spouse of either sex.

This reply is concerned with category A retirement pension.

Category A Retirement Pension - Components

Category A retirement pension is made up of three components:

Basic Pension which is flat rate pension (currently £67.50 a week at the full rate)

Additional Pension which is earnings-related

Graduated Pension which is based on graduated (earnings-related) contributions paid from April 1961 until April 1975.

This reply is concerned with basic pension.

Basic Pension - Contribution Conditions

Two conditions must be satisfied in order for a person to qualify for a basic pension:

- (a) Firstly, the claimant must have *actually paid*, in a tax year since 6th April 1978, class 1 contributions on earnings of at least 52 times the weekly lower earnings limit for the tax year concerned *or*, in the tax year 1975-76, 1976-77, or 1977-78, class 1 contributions on earnings of at least 50 times the weekly lower earnings limit for the tax year concerned. In either case, the equivalent number of Class 2 or class 3 contributions actually paid in a tax year will be sufficient. Alternatively, the claimant must have actually paid at least 50 flat-rate contributions at any time before 6th April 1975.

This condition will be automatically regarded as having been fulfilled if the person was receiving long-term incapacity benefit in the tax year when he or she reached state pension age, or in the tax year before that.

- (b) Secondly, his or her contribution record must show a minimum number of qualifying tax years in his or her working life, being 44 for a man and 39 for a woman. The number of qualifying years is determined as follows:
 - (i) For the tax year 1978-79 and later tax years, a qualifying tax year is any tax year in which the person paid or was credited with class 1 contributions on earnings of at least 52 times the weekly lower earnings limit for the tax year concerned (for 1975-76, 1976-77 and 1977-78, the required figure is only 50 times the weekly limit.) The equivalent number of class 2 or class 3 contributions paid or credited in a tax year will also count.
 - (ii) For tax years before 1975-76, the total number of flat-rate contributions paid by (or credited to) the person before 6th April 1975 is added up and divided by 50, but a person cannot have more qualifying years than tax years in this part of his or her working life.

Qualifying Years

A person's working life starts with the year in which he or she reaches the age of 16 and it consists of that tax year and every tax year after that until the person dies or reaches state pension age. The tax year in which the person dies or reaches state pension age is not included.

For men reaching pension age now their working life is 49 years (age 16 to 65.) For women reaching pension age now their working life is 44 years (age 16 to 60.) A person's working life is however reduced by five years to arrive at the number of qualifying years, so that for a full basic pension a man must have 44 qualifying years and a woman 39 qualifying years.

A person's working life may, however, be further reduced if there have been years of home responsibility since 1978 i.e. in the case of persons in receipt of child benefit and persons caring for or looking after persons at home.

Buying Additional Years

A person can only pay contributions for the tax years in his or her working life and once a person has achieved the requisite number of qualifying years for a full basic pension, any contributions which he or she might still be liable to pay until state retirement age will not serve to increase his or her basic pension.

Persons who, for whatever reason, have not paid contributions for the requisite number of qualifying years for a full basic pension, can, subject to certain conditions, purchase additional years i.e. tax years within their working life which are not qualifying years, by paying voluntary contributions for those years. One of the conditions is that such voluntary contributions, payable in respect of a year after 5th April 1982, must be paid before the end of the sixth year following the year in which liability for those contributions arises. Voluntary contributions cannot, however, be paid by married women who have elected to pay reduced rate contributions, for any year in which their reduced rate election has remained in force and voluntary contributions cannot be paid for any tax years outside of a person's working life.

Teachers — Salaries and Salary-Related Initiatives — Question by Mr Rimington for Written Answer

Question 22

The hon. member for Rushen, Mr Rimington, to ask the Minister for Education:

In respect of salaries and salary-related initiatives within the contracts of employment of teachers employed in Department of Education schools -

- (1) *what elements are mandatory by virtue of agreements with the UK; and*
- (2) *what are the advantages and disadvantages of adopting the recent UK initiatives on thresholds and performance targets?*

Answer

- (1) Section 121 of the 1949 Education Act states that 'the Department of Education shall from time to time determine the scales of remuneration for teachers.'

It has been the long-established custom that the Department of Education has kept a close link for Island teachers to the salary and conditions of services of the teaching profession in England and Wales.

This custom has been reappraised recently through discussions with all of the Island's teaching unions because of the introduction of threshold payments and performance management as integral parts of the pay and conditions arrangements in England. The local union representatives are unanimous in their wish to keep the link with England's pay and conditions arrangements and they, in common with the Department of Education, did not wish to depart from these arrangements.

- (2) The issue of threshold applications and performance management is bound up with the issue of the continuing of the Isle of Man - England links. Therefore, some of the advantages and disadvantages relate to the general issue of presenting the Isle of Man - England link whereas others are more specific. The main advantages are as follows:

- * The England and Wales system for teachers pay and conditions is a fully acceptable and understood process through professional mechanisms involving the School Teachers' Pay and Review Body, the General Teaching Council and all of the teacher unions in England and Wales.

- * It is fully negotiated and agreed and accepted each year by all teacher unions and LEA'S.
- * The agreement with Isle of Man Treasury is that the Department of Education is given new money, through Tynwald supplementary votes, to meet agreed England and Wales annual teacher pay settlements and the cost of any new performance management pay systems.
- * The Isle of Man Department of Education implements the England and Wales agreements - there are no local negotiations, no extra central staff posts needed (for example no personnel officer and associated personnel staff.)
- * There is not the need for annual negotiations with teacher unions on the Island over a pay agreement.
- * There is a very high degree of certainty for the Island's teaching staff over their expected rises each year.
- * The Island teachers' superannuation and pensions schemes match those of England and Wales exactly.
- * There are no adjustments for Isle of Man teachers due to the lower tax rate in the Isle of Man. The Manx teachers get the same gross salaries as their UK counterparts.
- * New performance management systems are being introduced in England and Wales, this is an opportunity for the Department of Education to introduce a parallel professional system and the new considerably upgraded salary system exactly as per England and Wales.
- * A classroom teacher passing the threshold assessment will receive a salary rise of £2,000 over this year and next year and then be eligible for four further annual salary increments of £1,000 per year, making it possible for an experienced classroom teacher to reach a salary of approximately £30,000 per annum.
- * The increased scale of salary for class teachers will be such as to give a route to higher salary whilst remaining in the classroom.
- * The performance management scheme for head teachers, deputies and management team staff offer increased salary scales linked to school size and negotiated, school and staff targets. The new school ranges linked to performance management have been in place since September 1999.
- * It retains for Island teachers the current fully accepted and agreed good practices in professional development, conditions and pensions as reflected in England and Wales.
- * Teachers will be able to demonstrate their effectiveness more readily once they adapt to this initial change to threshold and performance management changes.
- * Teachers and schools will have clear professional targets and objectives and this will reinforce and enhance the quality of the educational experience for Island children.

The main disadvantages are felt to be fewer:

- * Going through the threshold application process for the first time did require considerable training sessions to be organised by the Department of Education for teaching staff.
- * Completion of the threshold application forms was a time consuming business.
- * The set-back over the legality of the threshold applications in England did cause delays with the department's programme of external assessors. (However, I can report that the external assessors are on the Island this week verifying Island teachers' threshold applications.)

- * The possible loss of being able to move to a totally new, radical pay, conditions and pension scheme tailor made to the Island. This would, however, bring with it increased Island bureaucracy, increased central staffing and would be a year round process using up great amounts of teaching staff time.
- * The uncertainties within a separately negotiated Island pay and conditions scheme may detract teachers from coming to the Island.

In conclusion, my department considers that there is overwhelming advantage in maintaining the link between teachers' salaries and conditions in the Island with those of their counterparts in England and Wales, and therefore, with the full agreement of the teaching associations, decided to implement the threshold and performance management procedures.

Old Courthouse — Closed Circuit Video Link — Question by Mr Lowey for Written Answer

Question 23

The hon. member of the Council, Mr Lowey, to ask the Minister for Local Government and the Environment:

- (1) *When was the closed circuit video link installed in the old courthouse, Athol Street, Douglas;*
- (2) *how much did the equipment and installation cost;*
- (3) *how often was it used;*
- (4) *did the company which installed it provide a warranty on, or offer a maintenance agreement in respect of, the equipment;*
- (5) *if so, for what period;*
- (6) *was the equipment insured;*
- (7) *for what period after it opened was there no such video link in the new courthouse; and*
- (8) *what was the cost of the equipment and its installation when a video link was installed in the new courthouse?*

Answer

It is assumed that reference is being made to the closed circuit television system installed to allow children and other vulnerable witnesses to give evidence without having to be physically present in the court where the case is being heard.

- (1) The system was commissioned for use in the old courthouse, Athol Street, Douglas on 26th August 1993. It was installed in the week prior to this date.
- (2) The equipment and installation cost a total of £25,034.99, excluding value added tax.
- (3) No records have been maintained with respect to use.
- (4) Yes, both a warranty and maintenance agreement applied.
- (5) The warranty was for 12 months parts and labour from the date of installation, and the maintenance package agreed by the then Chief Registrar was for support via the telephone to General Registry staff as a first response, followed by flying in an engineer from the UK based supplier at the cost of £150 per day plus expenses at cost, if the problem could not be resolved by telephone.

- (6) The equipment was not insured as a separate item, but it was covered under the general policy applying to all equipment owned and operated by government departments.
- (7) Provision for the use of this equipment was made during the design of the new courthouse and the facility was in place from the date of occupation of the new building.
- (8) The cost of making provision for the equipment from the old courthouse to be installed in the new courthouse was an additional £3,075, which included new cabling, sockets and commissioning. That equipment has been used in the new courthouse on at least one occasion when the equipment was found to be defective. Initially, enquiries were made regarding repair of the equipment. Repair was uneconomic, and the advice received was that the system was no longer supportable even if it was repaired. Therefore, a new system was purchased at a cost of £15,531 excluding value added tax. The new system was supplied by a local firm and is fully supportable with off-the-shelf components. It has been used once since commissioned on 9th October 2000 and has been on stand-by for use again. Positive comments have been received from the judiciary, the police and social services regarding the performance of the new system.

Queen's Pier, Ramsey — Statement by the Minister for Transport

The President: Hon. members, that concludes the question papers this morning. I am aware that you have before you a paper circulated by Mr Singer, which comes from The Friends of the Queen's Pier. This matter was raised with me following last month's sitting and I made the hon. member of Castletown aware of the concern. This is the first opportunity that has been available for a statement to be made to this hon. Court and the Minister for Transport has requested that he be allowed so to do. I consider that this is an appropriate time on our order paper in our proceedings for him to make such statement. I call upon the hon. member for Castletown, Mr Brown.

Mr Brown: Mr President, during the motion moved by the hon. member for Ramsey, Mr Singer, at the November 2000 sitting of Tynwald Court in relation to the future of the Queen's Pier, I made comment with reference to the points raised in relation to the BWB report, a report commissioned by The Friends of Queen's Pier. They have advised me that it has been brought to your attention that I made comments that were incorrect. I have checked the matter and clearly, as I would in no way wish to mislead Tynwald Court, I wish to make a personal statement to the Court to correct the situation and put the record straight. I thank you for giving me the opportunity to do so at this sitting.

During that contribution to the debate and based on the unedited version of the *Hansard*, it records that I stated that the people who undertook the structural survey and I quote, 'Did not go on the pier and do a structural survey, they did not go underneath the pier and they did not climb underneath the pier.'

I continued to state that, and I quote again, 'They did not climb up and go round underneath the actual metal work of the pier and see corrosion and whatever it is. They saw the legs and stanchions.' After checking the matter, I accept that, in fact, my comments were incorrect. As I would never intentionally in any way whatsoever deliberately mislead Tynwald Court, I unreservedly apologise to the Court regarding this matter and regret any misunderstanding caused by my contribution to the debate.

Members: Hear, hear.

Population Growth — Debate Commenced

The President: Hon. members, we turn them to item 3 on the order paper and I call on the hon. member for Rushen, Mr Rimington.

Mr Rimington: Thank you, Mr President. I beg to move:

That this Court requests the Council of Ministers to report, no later than the March 2001 sitting, on -

- (1) the expected levels of population growth in the next 15 years;*
- (2) the capacity of the existing and planned infrastructure to accommodate the increase in population and consequential business activity;*
- (3) the scale and cost of any additional infrastructure which will be required to accommodate such increases and activity; and*
- (4) the additional housing requirements, in terms of quality, community support and location, which will arise as a consequence of such an increase.*

In bringing this motion to this Court, it is not my intention to force a re-run of the debate around the policy document and the income tax strategy which took place two months ago. My reservations on our gross strategy are on record and a degree of other members' concerns have all been raised. I bring forward the motion for two constructive purposes which are, firstly, to encourage the proper management of whatever the growth rate and, secondly, to encourage a wide, public debate on the growth strategy to develop a public consensus on the future direction of the Island.

It is fair comment to say that there have been weaknesses in our management to date. The recent rate of growth has been far stronger than predicted. The shortage of affordable housing has been the most striking and serious consequence of this rapid growth, yet the problems have by no means been limited to housing. Labour shortages have had an impact in many areas of activity, whether in providing services to the community, home helps, education, health services and many areas of government activity or in the private sector, such as construction, in the fisheries and, most significantly, in the finance sector and allied services where it has often been difficult to recruit and retain staff of the right calibre and at sensible salary levels.

Increased population growth has necessitated extra expenditure in the health services and, indeed, in the provision of GP services in some areas, which are at full capacity. We are now committed to a new secondary school in the Douglas area, which arises from this increased population. What capacity do our primary and secondary schools have to cater for increased growth? If growth is to take place, it needs to be managed sensitively and carefully so that the infrastructure costs are kept to a necessary minimum.

We need to take an overview on the Island and consider what our resources are now, what infrastructure is already in the pipeline and what further infrastructure costs are likely to arise as a consequence of the growth strategy. We must remember that infrastructure does not just represent buildings, roads and other physical improvements, but a long list of people who are required to service the new economic immigrants, such as doctors, teachers, cleaners, policemen, civil servants et cetera.

We need to take an overview of housing development, and which areas of the Island can or are willing to support further housing. We need to consider the impact on existing communities of further housing, the levels of community support and services for such new housing and how that housing may best be planned to mitigate against intrusion on the environment. I believe that the concept of a new town should be urgently explored. If significant growth is to take place, a new town might be the best way to manage that growth. It would create a rare opportunity for well-planned housing allied to community services, rather than the existing practice which seems to have been just filling up the next available field with as many houses as the planners will allow with rarely any community division.

I accept that it is extremely difficult to predict figures for population growth and I am happy to see the figure of 15 years on the motion reduced to 10 years. However, we should look well beyond 10

years in terms of our overall planning. Our existing economic strategy identifies population growth as a major consequence of that strategy. Therefore it is incumbent on our Administration to try to quantify that growth, even if it is the range of low, likely and high. Without such predictions, the management of growth cannot be easily addressed.

I turn to the second reason for the motion, which is the need to stimulate a public debate on the future direction and development of the Island. This has already been referred to by the hon. member for Ramsey, Mr Bell, in our debate in October. He was concerned that there is little consensus among the general public to the economic policies being promoted. This was not to imply that the general public are ridden with difference on the issue, but more that they do not understand the full implications of the economic strategy and this lack of understanding arises from a lack of knowledge and possibly a lack of communication.

There is not really a public consensus for significant population growth. I believe that a majority of Manx residents would rather say, 'Enough is enough and let us find a different way.' I personally believe that we have focused too strongly on economic prosperity and are in danger of ignoring the many other facets of life which help to comprise strong and balanced communities with healthy individuals. But there is not a public consensus for my views either. That is why we need a public debate to determine the strength of feeling outside of this Court of Tynwald and try and reach a consensus on our future direction.

However, to conduct a national debate without a focus is difficult and I hope that the report that I am asking for will add to that focus. I want a report which will give the public what the government predicts our population growth to be in the future, a report which will identify the practical issues which will need management and a report which will take us towards the general election and allow the Council of Ministers, hon. members and future candidates to openly address and debate the issues contained therein.

The President: Hon. member for Peel.

Mrs Hannan: Eaghtyrane, I beg to second the motion and, in doing so, I support the comments made by the mover. The mover mentioned very many issues which need addressing and I am reminded of a comment that was once made by Melvyn Bragg on the radio. When talking about planning, he said, 'All you've got to do if you want to look at bad planning is look at the Isle of Man.'

We need a vision for the future. We need to manage growth. We have not seen the growth coming, and therefore it has not been managed. It has been managed, to a certain extent, by developers, by people who have a vision for filling up these very fields with houses, but nothing more. We have also allowed that sort of development to take place without providing community provisions, the playing fields or play areas for children. We then have the audacity to complain about children in this House and in other places.

We must accept that we are responsible for a lot of what is happening, because we have not addressed growth or even the thought that there could be growth. Instead of saying, 'Well this might happen, or this might not happen', we should be saying, 'If it does happen, how are we going to manage it? If it does not happen, how are we going to manage it? We are here, we want to get to there and how do we get there?' We have not been doing enough of it. In a way we have been fire-fighting.

We very blithely passed a development plan for the Isle of Man. We have said, 'If all that is developed, we will have 75,000 people living here,' but all that land has not been developed and yet we have got 75,000 people living here and we need to ask why. Have things been done differently? What about the over-intensive use of the land that is already been zoned for development and being

developed? What is the reason for that? Is all the land that has been zoned for development acceptable?

As the mover said, can we engage the population - our constituents - into accepting some of these issues? Many of these issues we cannot engage them to accept. We have possibly come on a little bit late. I do not know how we could engage the population because in a way we could say that the UK is being engaged in a vision for the future, but when it comes down to it, it is just matter of policies and to the normal person in the street, they do not mean an awful lot.

We have a development plan and we have local plans, but they do not mean an awful lot either without design briefs. These places do not have design briefs, so therefore it leaves the individual. A person complained about the other week because he objected to development and being told by estate agents, who have a pecuniary interest in the matter, that people who do not know what is going to happen next to them or object to what is happening next to them should pay to object. I would hope that we will not support that sort of approach to our planning for the future. What we do have is legislation, which has been passed twice by both branches and signed by a majority of this hon. Court, to accept that there is such a thing as planning gain. I believe that part of this planning gain should also be looked at as well as design briefs, and also the comments made by the mover. It is all very well throwing in a new town, but it has to be looked at and it has to be planned. If you are going to do that, you have, again, as the mover has said, to take people along with you and that will be extremely difficult, especially if there are people there already who have a quiet life and wish that to continue.

We also need in these areas if we are going to plan and develop this role and not only allow developers to do that, but the community to take it along. We must accept that there needs to be a new health provision, and all the issues which support a community. I am not sure that we have actually got that far yet. We talk quite blithely of having more police on the beat, but if we are protective of the environment that we provide for people living in the community, we would not have the need for police on the beat.

Perhaps we would have a better environment for people to live in. Let us think of larger properties, instead of getting on this mythical bandwagon that everything being built must be for first-time buyers. That is a myth. We should be trying to make it easier to move from smaller properties to larger properties and therefore give families a better quality of life.

It is very nice to be in the position that we are in when we consider what it was like 15 years ago with a large number of unemployed people, our own people, having to go away and even if they had been away, not being able to come back. The move forward has been quite remarkable, but it is trying to get acceptance. We are the politicians and it is us who have been making and leading these changes. Some of us have been re-elected on this growth and this extra economic and financial facility, but it is at a sacrifice at some levels.

I have mentioned policing before, but there are other areas as well which I think we have to bear in mind. We have to bear in mind some of the larger world aspects such as being more financially aware and more economically viable. We should not be using more energy. We should not be using up the world's resources. We should not be increasing global warming. I would hope that during this time the Council of Ministers have to look at this particular issue, they will look at alternative forms of heating when solar power and all of the other forms of generation can be used. Some of these issues could actually in the long term save us financially as well as environmentally.

All such issues are not covered by the motion on the order paper before us today, but they should be looked at with regard to the motion that is before us today. The existing and planned infrastructure, one of the things that was talked about with regard to the change in taxation moved by the Minister for Treasury and supposedly thought out extremely well not to encourage an increase in population, to my

mind is there to actually encourage people to think about living on the Isle of Man. We have got no unemployment. Yes, people are going to be encouraged, but with that encouragement we also need facilities. What I am saying in seconding the motion before us is that we need to look at a bigger picture. We need to look at providing facilities for families so that some of the other issues - the policing issues - can in a way, take care of themselves. We should allow play areas and properly built and planned schools, instead of being forced into some of these issues. Therefore, I am very happy to second the motion. I think it is something that should have happened a long time ago. Thank you, Eaghtyrane.

The President: Hon. member for Douglas West, Mr Shimmin.

Mr Shimmin: Thank you, Mr President. I wish to move a friendly amendment to the motion. Hon. members will recall that last month, the mover of the motion, hon. member for Rushen, Mr Rimington, deferred this until this month. Therefore, the first part of the amendment, to move the March date to a month later of April, would appear to be fair.

Secondly, the issue of a report such of this inevitably involves a degree of crystal ball gazing. Therefore, I think that an option of 15 years will negate the impact and the reliability of such a report. I would, therefore, move that that is reduced to 10 years, which is still crystal ball gazing but is a more manageable timescale.

I believe what we are talking about today is a request for the Council of Ministers to formalise what already exists in certain formats within the Isle of Man Government. We are talking about major areas on which we could run the risk of getting into debates today, which I think would be unhelpful. If we expand into the whole area of population growth or all of the additional infrastructure requirements that would be necessary with a population growth, we could enter into yet another housing debate, when we are all very well aware of the issues and concerns in that area.

Today I believe the mover is quite rightly asking for a report to be compiled which will then be the basis for more formal debate in this chamber and elsewhere, sir. I beg to move the amendment standing in my name:

For 'March' substitute 'April'; and for '15' substitute '10'.

The President: Hon. member for Rushen, Sir Miles Walker.

Sir Miles Walker: Yes, thank you, Mr President. I am supportive of the resolution because I, like the hon. mover, think that a public debate on this issue would be very helpful.

What is important is that there are some facts on which the public can debate. We should be able to enter quite properly into that debate in a public way. It seems to me that an uninformed public debate could be very bad indeed for this Island, its economy and its future. So I think it important that as much factual information as possible can be gathered together in order to stimulate the debate that is spoken about.

I suppose that that is my concern. Getting this information together in an exact way is probably impossible. I guess that the best that can be done is for a set of figures and facts to be brought forward which will say if the economy develops in that way then the following will be the result and if it develops in a different way then there will be a different set of results and figures following that. That seems quite sensible and logical.

What will be impossible to do is for the Council of Ministers to say 'Well, if there is a downturn in the world economy then it will have this effect on the Isle of Man's economy and the knock-on of that will also have to be taken into account'. Mr President, you will know as well as I and other members of this Court that in the planning assumptions in the policy document, for a number of years a world downturn

in the economy was assumed. My recollection is that it was first indicated that perhaps it would be 1997; then it was moved forward to 1998, and then 1999. It has been moved on quite properly, because that is the best information that is to hand. If that downturn had happened in 1999, however, there is no doubt at all in my mind that the economy within this Island would have reflected it. There would have been a downturn and perhaps we would not have been facing the pressures that we are facing this year. I have to say that I think we should be pleased to respond to those pressures and be pleased to find the solutions to those particular difficulties.

I would also be interested in the hon. member's view as to the politician's place in the public debate. Would he expect politicians to follow the conclusions of the public debate as far as we can interpret them, or would he expect us as politicians to get out there, join in that debate, state very clearly our views on the future development of the economy of the Isle of Man and the future possible population explosions and so on? That would certainly be my view. I think if the thought is that we should sit back as politicians, listen to the public debate, try to find out what the public are thinking and make the right noises next October or November, that is the wrong way forward. I guess it will be tempting, but it would be the wrong way forward for this Island.

Like other people, I can easily remember 1986, 1984 and before, when this Island was facing an unsustainable situation. The population was getting older, the number of workers was decreasing and the health services were very difficult to fund because income was going down and demand was going up. Yes, today the demand on the health service is greater than it was then and the demands on education are greater than they were 10 or 12 years ago, but we have now got the resources to deal with those situations. We are now in a position where we can offer to our people the best possible health and educational services that are available for a community this size anywhere. I think we should be very pleased about that.

I am supportive of the resolution. I think a public debate would be very useful, but I think that we as members should be prepared to get out there and state what we think very clearly. I, for one, am in agreement with an increased expansion of our economic base because I think the most important thing of all is for us to get into a situation where this Island has a sustainable population. If we stop immigration at the moment, our population will go down and it seems to me that that is an unsustainable situation. We want to get to a position in which we have the right sort of age profile within the community and our population is sustainable. Then we have to ensure that there are good jobs for our youngsters who are all at school now, who are leaving school and who decide and wish to make their future here in the Isle of Man and will not have to go elsewhere. (**Members:** Hear, hear.)

We also should not forget that this Island is still a poor community. How often do we hear it said that we are swilling in money, that we are a wealthy community and that we should do all sorts of things? That is not the case. The facts do not bear that out. We still have less income per head than in the United Kingdom. That country itself is not in real terms a wealthy country, and there are others round about with a far greater income per head that is important, and I believe it is important. I believe a decent income and decent standard of living, is as important to quality of life as the green fields with no houses, which some people would wish to continue.

I welcome this debate. I think it is timely and useful, and I look forward to the public involvement following the report received from the Council of Ministers, which hopefully will give us some facts or at least some assumptions to work on. Thank you, sir.

The President: Hon. member for Onchan, Mr Karran.

Mr Karran: Eaghtyrane, I second the proposal by the hon. member for West Douglas as far as the amendment is concerned. I think it is important. I think the points made by the previous speaker

and Chief Minister about the effect that a world recession must have on the Isle of Man are significant. I believe that the latest suggestion is that it is going to be as late as 2010.

We hear of all these Domesday scenarios, but at the end of the day I think he is too blase in saying, 'Well, it is going to happen and there is nothing we can do.' We have to make sure that we can try and pad this small nation as much as possible. I believe that one of the problems we have in the Isle of Man is that we are such a small economy.

I always remember talking about this in a meeting where they were talking about the unemployment situation in Britain. One participant described it as Britain being a great sea and us a little puddle, but if a great sea gets pollution in it the breaking up of the sea will break up the unemployment a lot more quickly than a pollution incident in a small dub - maybe that would be the right word to use - as the Isle of Man's economy would be.

So it is important that we as legislators do our best to try and make sure that we can see what is happening and have proactive instead of reactive government. I think that is where I would disagree with the previous speaker that somehow you have just got to go with the flow. To a point, he was right, and we do have to go with the flow. We are not a major world force, but at the end of the day, I believe as a member of this hon. Court that we do not produce the wealth, but create the environment. Some pick the flowers and some sow the seeds in the manure and have to walk away. We all have our roles within this Court as far as that is concerned. I think that is important; we should realise that we have to create an environment for the population to grow which is on the back of the economy of the Isle of Man.

I am very concerned that there is still too much of a doormat mentality in the Island, which says, 'Well, you cannot do too much and that is the situation.' I believe that population growth is important in helping to manage the economy of the Isle of Man in terms of what we want as far as the Island is concerned. I totally agree with the hon. member for Rushen when he says that we do not want to close the doors. I do not think any of us have a problem with that, but we do have a problem with - this is what concerns the likes of me - is getting away from that doormat mentality of saying 'Come in boys, bring whatever you can get in. You come in and, all right, you make a fast buck.' We are then left with the long-term problems.

What concerns me when we talk about population and the economy is that the important issue on population is that we must go for more of a commitment to a diversified economy if we are looking at population. We have got to get away from saying 'Come in, bring in your back office jobs. All right, they will be moved off to India within five to 10 years' time, where you can get graduates for £,5000 a year now as far as that is concerned.' We would be then left with a migratory population in the Island for the short term. The middle men will have made their profit and we are left with the problems of trying to sustain a population that is not viable for this country, which has all the negative effects of losing all the green fields, which dilutes the quality of life issue of the Island.

That is the sort of thing that I hope that the new Chief Minister will be coming back with as far as this issue is concerned. At the moment, when we look at the likes of the infrastructure planning, what concerns me is that we look at the future. If the Council of Ministers was a choir, it would not be worried whether it was singing the right note or the right song; it would also be worrying whether it is in Manx or English. When we bok at the different things, from IRIS to incineration to new hospitals to water infrastructure to new roads, there seems to be a different level at which we are planning for the future.

I think that this debate should bring that issue home. We should start singing from the one hymn sheet in terms of we are planning on the size of an incinerator and of filtration plants, and on what sort of volume we are talking about for IRIS, to name just a couple of the issues that need to be addressed, never mind the other issues.

I support the amendment, which is more realistic as far as I am concerned. I believe that we do need to look at the longer and longer term for the Island. Whilst I support the hon. member, Sir Miles, in saying that we must not allow ourselves to be run over by a band wagon of prejudice and illogic which is allowed to destroy the economic base and the future development of this country. At present, we seem to be deaf to the concerns of many people about this Island. It is all right the Chief Minister saying in that the average earnings are up to £350 or £400 a week when you are talking to people who now cannot even get on a council house list because they earn too much, but do not earn enough to be in any reasonable chance of being able to buy a house.

I believe that we should support this proposal. I think it is a step in the right direction. I am glad to see that we are going to have some discussion on the quality of life survey. On issues such as owner occupation, which has gone down phenomenally since the last time the question was asked, and the amount of property that is held for investment purposes and not owner occupation, I believe that the latest census will show a substantial increase out of all proportion. That is part of the problem that we have at the present time, as well as the unwillingness for anybody in this hon. Court to take on the big boys who are making a nice earner out of the present situation.

We saw in the 1980s when we talked about population control, when I was in the DHSS, the figure of 69,000. We were told there was a figure of I think 73,000, 74,000 or maybe 75,000 on GP's lists. I would be surprised if my good friend next door to me here and his Treasury are paying out for 5,000 corpses on a regular basis to GPs. I hope not only that we will see the Council of Ministers singing from the same hymn sheet on infrastructure renewal from the future, but that we will have a real identified true number of people who actually live here at the present time. I think we have to have the hope that the issue will be addressed; I believe that it needs to be addressed.

I would like to mention another point that worries me about this door-mat mentality of saying 'Come in boys, we want as many people into the Island as possible.' I was recently talking to some people about the effects of negative equity in the London property market, but the difference is that if we allow our economy and population to grow out of all proportion without any fundamental control in respect of economics and our dependence on making sure that we are prepared for a turn down in the world economy, the danger will be that the negative equity which would have followed you as a resident in London to a resident in Glasgow will not have the same effect as far as any negative equity that would happen in the Isle of Man is concerned. What you would end up with is a situation where the only people who would be left with a negative equity are the Manx people and the people who have a commitment to the Isle of Man and who would stay here. The rest would throw their keys in and walk away, leaving the domicile population to pick up the pieces.

I hope that the proposal will come back and I will be interested to see what happens. I hope that some of the points that I have brought into the debate will be taken on board as serious issues. I get tired of people then casting aside some of our remarks and then having amnesia when the problems come back to haunt us all.

The President: Hon. member for Douglas West, Mr Downie.

Mr Downie: Thank you, Mr President. I feel that the motion before us today is opportune and well-timed. At the end of the month, we are going to have our census. So at least at the start of the new year we will know that we can have figures which are bang up-to-date and properly defined. When they are added to the other figures that are being collated by various government departments, we will know that we are not going to be subject to allegations which people come out with in this Court on a regular basis, saying that we have x number of thousands of people domiciled in the Isle of Man. So at least we will start with a bang-on, up-to-date set of figures to consider.

I think that this debate is perhaps long overdue and that we should be able to link this with updates on infrastructure. I believe also that the whole bearing of the report could be linked with things like the strategic plan, which I very much would like to see introduced some time in the new year. We have all talked for many years about a proper co-ordinated integrated traffic management policy. Maybe it is time for that to be rolled in as well.

All of these issues should assist us in deciding through the Residents Bill, which has passed through one of the branches, in finally coming up with a figure that we think is acceptable as our target figure for the future population of the Isle of Man.

I agree with some of the previous speakers. We cannot afford to stagnate in the Island. We must move forward, but I agree that we must have a vibrant and manageable economy that we are in control of, rather than forces from outside. At the same time, we all must agree that we are subject to global market economics. However nationalistic we may feel, we are just a small cog in a big wheel. We are global players now and there are good times and bad times out there. Unfortunately, we are not big enough to really to be able to control our own destiny.

I think if we accept the criteria that I have just briefly gone over, we should support the motion that is before us today. I have no problem with the amendment. It makes sense because it narrows it down a little bit further and takes away some of the uncertainty, but I have no problem supporting it and I congratulate the member in having the foresight to bring this before us when he knows at the end of the month we will have up-to-date figures to start the ball rolling with. Thank you, Mr President.

The President: The Chief Minister.

Mr Gelling: Yes, Mr President. I rise purely and simply to say that I will certainly support the motion. One concern I did have which has been rectified by the amendment, sir, - (*Interjection*) Yes, it has been seconded - was the extra month. It was going to be tight anyway last month and it was going to be even worse this month. Also, I think the 15 years were getting into not just crystal gazing but a situation that we could not really have addressed. So basically it is purely and simply that if this motion is passed with the amendment, the Council will certainly do its best to bring forward the information that members will require for a debate on this particular subject, sir.

The President: Hon. member for Onchan, Mr Cannell.

Mr Cannell: Yes, thank you, Mr President. I am a bit perplexed by this. Although I do not have any difficulty in supporting the motion, and indeed the amendment, it does have a certain look about it that we have recently covered nearly all the issues that are going to be required of the people compiling the report. Although it might be tight to actually get the job done, I believe that most of the issues which would come out in a subsequent debate have been touched upon. We have had the policy debate, we have had the Residence Bill, we have had a motion on independence and we are going to have a census. If all that lot will not cover what we are looking for in this motion, I do not know what would. I do not flinch at all and I shall not go back over it, but by happy coincidence, I have the policy document speech in which I hinted at just such concerns of some of the Island's population. As recently as last evening, I had the privilege of talking to a small group of men at Lonan. The primary thing in question time that came out was the future projection for the Isle of Man's population. That was after they had suffered an hour of me telling them about the *Mona's Herald*, the TT and heaven knows what, but the questions expressed a concern.

I was told when I made this speech, 'Oh, well, it's only you just waffling away. The people of the Isle of Man are not concerned about it. All they want is prosperity, prosperity'. Yes, they do, but I said 'Let's not throw the baby out with the bath water.'

My speech is still here in its original form, in which I pointed at a fact that there is a very definite concern - mainly among the resident Manx population as against the nouveau Manx, as I describe them. It is incumbent upon us to examine this subject as the hon. mover of the motion would have us do and come up with the statistics. Surely it is not going to be that hard, because we have the magnificent policy document here. It is a grand tome which has been debated and unanimously approved; this gives you 90 per cent of the information we want.

That is what I would be doing if I was in the Chief Minister's and the Council of Minister's office. I would be just shifting this stuff around here, which I gather is a fairly easy process if you are computer literate, because all the information is there. You need only to turn to the introduction to it to see what you can get with your very valuable copy of the policy document. That gives all the assumptions you can handle, central planning assumptions and hundreds of paragraphs on the Isle of Man national income. There is not just a statement of what it is now. It is not just saying that this is a statement of how we stand or a state of the nation address. It makes numerous projections.

As regards the actual population figure, it is only about a fortnight ago we had a complete detail of how it was supposed to go. From memory I think the increase was 400 per year, was it not?

A Member: It was 74,163.

Mrs Crowe: It was 400, yes.

Mr Cannell: Yes, 400 per year. So I do not think we need too much more information. It will not harm us to have it and it will not harm us to have a debate on the definitive statement which will ultimately, I am sure, come out of this motion. If we need any more information than what is in there, I would be surprised. This has been the policy of this hon. Court.

By the time we have got our policy document, as I say, the Residence Bill has gone through the House of Keys. Accusations are already being made outside that it is a move to shut the door, but it is nothing of the kind. We have had the independence motion until it is coming out of our ears. If it is all just put together in a different type of format, we will really only be debating the same thing, but that is no bad thing.

I think it is a very realistic thing that the hon. Court now has a more proper attitude - I detected a slight change of atmosphere, as my speech was not rubbished. I am not suggesting for a moment what I said was rubbished at the policy debate; the hint there was that not everybody in the Isle of Man is convinced that we are going the right way forward. It was far from being said that we could afford to just go back to our old ways, or that we preferred it when there were no yuppies, there were no people charging up and down Douglas promenade creating mayhem and people were not overtaking on red lights as they seem to do now in high powered vehicles that no genuine Manx youngster could have afforded 15 years ago. We welcome them all to come in. They are making an important contribution, as I have said.

The finance is absolutely flying, but let us keep the brakes on for the Manx way of life as we knew it. Let us make sure that everything is in place before we go on the next march towards the figure which will bring dread to everybody, but which undoubtedly could be achievable if the mind was there: 100,000 population for this Island. Compared with the Channel Islands the place would still be empty at 100,000. It could stand 100,000, but we must have a lot more in place than we have got now, otherwise it will be gridlocked for traffic, the health service bill will be double what it is now and lots of other things.

I support the motion, but I do not really think that it is taking us much further than the combined result of all the debates and motions that we have had in only very recent weeks.

The President: Hon. members, I think it is an appropriate time for us to adjourn for lunch. The first to speak after lunch at 2.30 p.m. will be the hon. member for Ramsey, Mr Singer.

The Court adjourned at 1.05 p.m.

Population Growth — Debate Concluded — Amended Motion Carried

The President: Hon. members, we continue with our deliberations on item 3 on the order paper and, as indicated before lunch, I call on the hon. member for Ramsey, Mr Singer.

Mr Singer: Thank you, Mr President. I would like to say first of all that the situation is rather difficult. We are talking now to a proposal for the Council of Ministers to report. I would have perhaps have liked members of the Council of Ministers to hear what I am saying to take into account, but there are so few of them here. I think there is one. How many members are there? Two. Three?

A Member: Three.

Mr Singer: Three members of the Council of Ministers. Four members of the Council of Ministers.

Mr Quine: You have got the quality.

Mr Crowe: Yes, quality!

Mr Singer: In supporting this motion, Mr President, it is not so much putting a strict limit on the numbers coming into the Island, but limiting where they can settle and where they can live. With no controls, the majority will no doubt gravitate to the Douglas area. The infrastructure facilities generally in Douglas, we know quite clearly, are overstretched from the sewers to roads, the car parks, the schools. I believe that no building should be permitted without the infrastructure and the services being available. (**A Member:** Hear, hear.)

It is not so much the need to limit the immigration numbers at this particular time, but to direct them to areas, which are available to be populated. There was some suggestion not so long ago of a new town, but near Douglas. That would be a nonsense, because it would not release the majority of the pressures that are now on Douglas. People would still want to work in Douglas. They would still want to park in Douglas and they would still want to shop in Douglas. We need, in looking at this, to determine where people should go and I believe that we should be looking up to the north to Jurby.

A small town should be developed in the Jurby area. We already have some infrastructure there and some facilities. There is room for houses; there is room for economic development. We can encourage business development in the north and therefore bring jobs to the north and a real improvement in the economy. As I say, the space is there. We have the air strip there and of course the weather is better up there.

It is not a simple matter of a population number, although eventually there will be too many people on the Island if it is left open-ended. Such a proposal would perhaps prevent over-development in our smaller villages and the ruin their identities. Jurby would provide a modern, small, well-planned town, which could be positively planned and not allowed to develop without any controls.

I would like the Council of Ministers to consider this proposal when looking at where people should be living, what infrastructure is needed and what facilities are needed. It is a matter of looking not only at how much is needed, but where it is needed. Thank you, Mr President.

The President: Hon. member for Garff, Mr Rodan.

Mr Rodan: Thank you, Mr President. Any member of the public boking at this motion on the order paper could be forgiven for being puzzled as to why it has been brought forward. On the face of

it, it is covering issues, which are of such importance that they are absolutely fundamental to government. What is described in here must surely, by any test, be what government is all about: managing economic growth, determining the ability of our infrastructure to absorb that growth, where any infrastructure should be, where and how many the housing that will be required is to go and matters of increase of population. Surely the essence of forward planning is that these things are being considered on a corporate level by the Government already.

Now, of course the answer is that, in theory at least, they are. I am surprised in this debate so far that there has been so little mention, if any, of the Island's strategic plan. The Island's strategic plan is the national planning document, which translates into land use terms all the activities of government. The strategic plan has been in the pipeline for something like five or six years. It is on its third minister at the moment and, if there is criticism to be made, I will make it. This plan is taking far too long to come through because, in parallel, the rest of the Island are developing local plans which are not being informed by having the benefit of being informed by the national strategic plan which sets the Government's priorities for land use on an Island basis in black and white.

The importance of the Island's strategic plan is that it sets down various scenarios for economic growth. We have one of low economic growth and a falling population. We have one of medium growth, and we have a situation of high economic growth. The appropriate infrastructure and housing requirements in that plan are to be tailored to meet each scenario. Furthermore, that plan is supposedly capable of revision every year to be informed after the annual policy debate, which sets down for the ensuing 12 months what are to be the government's political priorities, so that the plan responds to that political need. Whether it be for an item of service provision, a hospital or a prison, the plan will identify, if not a specific site, the critical need that underpins that policy, so that at the time of planning inquiry the government can better implement its wishes or at least the issues are more widely understood.

It is, I am sad to say, a major deficiency that that strategic plan is not yet in place, because were it to be in place there would be no need for this resolution. This would appear to be old hat and it is the absence of that plan that has quite rightly prompted the hon. member, Mr Rimington, to bring forward a motion to this Court to have these fundamental issues addressed.

The hon. member for Onchan, Mr Cannell, rightly described the various other documents that have been published: the annual policy review, the report on residency and all the rest of it. All these are absolutely relevant and they are what should inform the strategic plan. It is a shame we do not have it. If we did have it, we would not need a resolution of this sort. I suspect when the Council of Ministers consider the matter and report that, in a large measure, it will be the absence of the strategic plan and the requirement to bring that forward as speedily as possible that will be the outcome of that report.

The President: I call on the hon. member for Rushen to wind up the debate.

Mr Rimington: Thank you, Mr President. I must reassure hon. members that my winding up will be very brief. I would like to thank as many people who have spoken in support of the motion as it stands and also of the amendment. I share with other members, specifically with my colleague from the Rushen bench, the hon. member Sir Miles, the same objective, which is to become an Island with a sustainable population, a sustainable economy, one that retains prosperity and the welfare of the population, and gives everybody a meaningful future.

The issue possibly is how we arrive at that point and a means to that end, although it is not the end in itself which I think is really too much in doubt. I shall briefly conclude by saying that it is very easy for members like myself to bring matters like this before the Court and ask that the Council of Ministers write this report or that report and undertake quite a bit of work.

I accept the point from Mr Cannell and others that a lot of that information is already in place in disparate sources and a lot of that would just require to be brought forward, although new issues need to be addressed as well. When I was elected, the Chief Minister very kindly only gave me one department's responsibility, which possibly means my formal workload has been less than other members. If it was considered appropriate and if there was an opportunity, I would be more than welcome to put some time in and assist in any way at any particular stage.

The President: Hon. members, the motion before us is printed at item 3 on your order paper and to that we have the amendment moved by Mr Shimmin. The amendment reads 'For March substitute April and for 15 substitute 10'. Hon. members, those in favour of the amendment as moved by Mr Shimmin, please say aye; against, no. The ayes have it. The ayes have it. Therefore, hon. members, I will put the motion as amended. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Supplementary Order Paper — Standing Orders Suspended

The President: Hon. members, the Minister for Transport has not yet returned to his seat, so we will go on to item 5. Well, we have a supplementary order paper, hon. members. Perhaps we can put that in at this stage and I call on the Chief Minister to move.

Mr Gelling: Mr President, I wish to move:

That Standing Order 10.9 be suspended and that, under Standing Order 2.2(6), the following business be considered.

This is purely and simply because we have had circulated another letter which, as it came through negotiation over the last few days, is slightly different to the other which I will explain later, Mr President.

The President: Hon. member for Onchan, Mr Corkill.

Mr Corkill: I beg to second, Mr President.

The President: Hon. members, the motion is as printed at 1 on the supplementary order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Paper Laid before the Court

The President: Item 2, I call on the clerk.

The Clerk: I lay before the Court the Council of Minister's Report on the Organisation for Economic Co-operation and Development (Harmful Tax Competition), appendix 3, amended covering letter.

IRIS — Douglas to Santon Sewerage Transmission Main — Expenditure Approved

The President: Hon. members, we will now turn to item 4 on the order paper and I call on the Minister for Transport to move.

Mr Brown: Yes, thank you, Mr President. I beg to move:

That Tynwald -

- (a) *authorises the Department of Transport to undertake works for the construction of part of the Douglas to Santon sewerage transmission main from White Hoe to Santon for a sum not exceeding £3,530,000;*

- (b) *authorises the Treasury to expend during the year ending 31st March 2001, a sum not exceeding £750,000 from the Consolidated Loan Fund to meet the cost of the above; and*
- (c) *approves of and sanctions borrowings not exceeding £3,530,000 being made by Government, to be repaid in 30 years.*

I apologise for that. I thought I would get back with some of those who were speaking on this issue, but clearly I had not.

In November, Tynwald gave approval to the construction of the IRIS master plan transmission main from Nunnery Gates to White Hoe and also from the old Castletown Road and Oaklands to the site of the proposed sewage treatment plant. I am now pleased to be able to seek approval to that section of transmission main, which links those two approved sections.

The objective of the IRIS works is to complete the transmission main from the existing completed Douglas and Onchan IRIS elements to the Meary Veg sewage treatment plant. In this case, the transmission main follows the Old Castletown Road from White Hoe through Port Soderick and on to join with that at Oakland in Santon. The transmission main proposed to be laid under this contract will be of 600 mm, 800 mm and 900 mm internal diameter ductile iron pipes. Also to be laid alongside the transmission main are high voltage electric cable ducts and communication ducts. A break pressure chamber and a flow meter chamber are also to be constructed.

The proposed works have been the subject of the submission of competitive tenders from which, subject to Tynwald approval of this motion, Farrants Construction Limited will be awarded the contract. Again subject to Tynwald approval the works are scheduled to commence early next month, January 2001, for completion in January 2002. Mr President, I beg to move the motion standing in my name.

The President: Hon. member for Council, Mr Kniveton.

Mr Kniveton: Thank you, Mr President. I rise to second the motion. As the minister reminded us at the November sitting of this hon. Court, approval was given to the further elements of the IRIS transmission main, Nunnery Gates to White Hoe, and number 2 the extreme end of the proposed transmission main from Oakland, Santon to the site of the proposed sewage treatment works.

This motion is to join up those two elements as approved in November. Following that, but for another day, that is early 2001, the department will be bringing forward a further motion and will seek the approval of this hon. Court for the construction of the sewage treatment works themselves. Hon. members, what is being asked for today is yet another stage before, hopefully, we come back to you for the sewage treatment works funding next year.

I am very pleased to be associated with all this IRIS construction development. Make no mistake, hon. members, we are making rapid progress, super progress, great progress, ahead of time and always within budget. I give full marks to the IRIS team and the local contractors, but this could not have been so, could not have been done, without the support of Treasury and particularly with your support. So, hon. members, I respectfully request that once again you add your support to this motion. Keep IRIS on the move. This is all about team work and together we are heading to that day when no more raw sewage will be dumped into the sea. Thank you.

The President: Hon. member, Douglas North, Mr Henderson.

Mr Henderson: Thank you, Mr President. The Department of Transport has come to this hon. place with some very, very large schemes in recent years, what I would call billion dollar projects. They are show-piece schemes and this is the next phase in the IRIS scheme. Some of these schemes, as good as they are, unfortunately have side effects, some of which I am certainly not happy with. I am

supportive on the whole of the IRIS scheme and what it is attempting to achieve. I have absolutely no problem with that and all the infrastructure that that is going to relieve.

I have a problem with the knock-on effects that these projects are having. Now, Douglas Harbour has already suffered one knock-on effect from the schemes going on down there where, in my opinion the harbour is a mess. No environmental assessment has been undertaken of the impact on wildlife. Now we have another scheme underway which is going to link into this one which is having further knock-on effects least of all one of which I have been going on about for long enough - no environmental assessment again for the Marine Drive.

I am worrying about the next phase in the plan. Whilst trying to be supportive, what are the knock-on effects going to be, and has the Minister for Transport made consideration and looked at the possibility of an environmental assessment to see what the effects of the general area will be? Having said that, the Department of Transport can obviously deliver the goods because the Braddan Road widening scheme up towards Strang was a quality initiative. It has been proven beyond doubt that the job can be done to an excellent, satisfactory, standard.

I would like the minister to reassure us that this scheme is going to be subject to the same high standards and not have the knock-on effects as we are seeing with the Nunnery phase, which the minister has told us can be opened to one-way rush hour traffic, which I think will clear it faster and quicker without having to expend public money on opening the Marine Drive on a temporary basis. I do not want to see us go down a scenario with another knock-on effect with this particular scheme. If I receive those assurances, I will be voting for the minister, but at the minute my patience is wearing thin with the huge schemes that have been inflicted upon Douglas, the knock-on effects and all the complaints, worries and concerns from the local populace that I am having to field. If the hon. minister can give us some assurances on the points I have raised, I would be very grateful.

The President: Hon. member for Douglas South, Mr Duggan.

Mr Duggan: Thank you, Mr President. I would just like to ask the minister about the time involved. The roadworks cause a lot of congestion as he is well aware, as are his officers. Could this job be done as soon as possible, and could they allow overtime? They might already have catered for that, but I think that those involved should work day and night, if necessary, to get this road open again.

Members: Hear, hear.

The President: Hon. member, Douglas East, Mr Braidwood.

Mr Braidwood: Thank you, Mr President. I am supportive. It would be rather silly not to give concurrence to this scheme if we have already given concurrence last month to the Nunnery to the White Hoe scheme and the scheme from Santon to the Meary Veg. I do not want to get into a Marine Drive debate. My own personal view is that it will relieve some of the problems utilising Marine Drive one way, although I believe Meary Veg is not the right place for the treatment works. That is all in the past. We have to get on with it. The public of the Isle of Man expect it and as quickly as this scheme is implemented the better.

The President: Hon. member, Douglas East, Mrs Cannell.

Mrs Cannell: Thank you, Mr President, sir. I welcome this scheme. It has to be said in all fairness that one cannot make an omelette without breaking some eggs.

A Member: Hear, hear.

Mr Delaney: Unless you are a minister, then you can do it.

Mrs Cannell: Well, I would not know about that, not having been privy to that type of situation as yet. *(Laughter)*

Mr Brown: Dominic does!

Mrs Cannell: I welcome it, but I ask the hon. minister whether, as has already been proposed here, it is possible to get the works expedited so that they are finished quicker? I am sure that he will look at it and will do his utmost to ensure that the works are completed as swiftly as is possible. Obviously, the pipes have to be laid until the section is reached where the plant has to be built, but I ask him to try and give us an indication when he expects that stage to be reached where we can start building the treatment plant and that all connections will be made, so that the scheme is up and running?

Finally, and his officers are fully aware of some of my concerns regarding the running of this particular method of sewage treatment being reliant upon energy to drive it along its route, are any contingencies in place if a situation should occur where the Island loses its power for one reason or another? I appreciate that as we now have the cable, of course, we have a better reliance, a better security of energy to the Isle of Man. Nevertheless unforeseen things can and do happen from time to time. Is there sufficient capacity within the tanks and elsewhere to cater for that scenario? If so, how long could we accommodate that sort of situation? If our power was down for some considerable time and our capacity was full, then am I correct in assuming then that any effluent would have to be discharged to sea? If so, am I correct again in assuming that the likelihood is that it would go into the Douglas Bay?

I am just seeking some assurances on what the contingency is as a consequence to power actually going down, but overall I welcome the scheme and I sincerely hope that we will not have too many eggs broken in getting it along the road as swiftly as possible.

A Member: Hear, hear.

The President: Hon. member for Rushen, Sir Miles.

Sir Miles Walker: Thank you, Mr President. A number of members have spoken in support of getting this scheme up and running and finished as soon as is possible. I am sure everybody would applaud that way forward. There is a balance to be achieved and I suppose that, by closing all the roads and getting stuck in, the job could be done in a shorter time, but endeavouring to keep the roads open or some of the roads open some of the time, it may take a bit longer. I suggest that it is in everybody's interest to try and keep the roads open as much as is possible, even though the works may take a little bit longer.

The President: Hon. member for Council, Mr Delaney.

Mr Delaney: Just two quick points, sir. I welcome this, obviously. Let us get on with it, but I want some advice from the minister. I was speaking to some of the residents down there; there are half a dozen houses on that side. Obviously I expect, and they expect, some assurances about their care and attention. That is on the first and the other section. I would just like to know about the trees when they widen the road. How many of those trees, if any, will be taken away if they are widening on the south side of that area?

The President: I call the hon. member for Rushen, Mrs Crowe.

Mrs Crowe: Mr President, I have a special interest in this route as I use it every day coming in from the south. The minister mentioned the communication lines that were going in. Have there been negotiations with the Water Authority to make sure that we do not face the situation once again where

the road is just relaid when the Water Authority comes along to do whatever it needs to do? I would just like to have his reassurance that his department has been communicating with that authority.

The President: I call on the minister to reply.

Mr Brown: Thank you, Mr President. I thank hon. members for their contributions to the debate. I will endeavour to respond as best I can. I thank Mr Kniveton for his support. Of course he has been very much involved in this as being the member with responsibility for drainage. He also oversees IRIS. I agree with the point Mr Henderson made about the side-effects. He is not too happy with it. I thank Mrs Cannell, the hon. member for East Douglas, for her contribution to say that you cannot undertake such major works in public areas as on the highway without causing problems. We have to accept that.

I accept the point the hon. member for North Douglas makes that we should not try and minimise the effects. All I can say is that we have endeavoured to do that on our major schemes. Our record shows over the last few years that we have effectively done that. We have not changed that policy. We are very conscious and I made this point during the debate last month on these issues of the patience of the public, how much they can put up with.

There is a difficulty because of course this IRIS transmission main has got to be phased in, but has to be done in a certain time span, so that we can start the work on the Meary Veg site and get the main area of population connected up first. That, of course, is our role and we are trying to do that.

I just say with regard to Douglas Harbour that we did consult with appropriate organisations and bodies before we went for planning on our scheme to try to identify the potential effects with regards to the fish, the wildlife and so on. It is accepted by everybody that if you are going to make changes like this there will be an effect initially. Hopefully, when the new structure is in place there will be some benefits for certain types of wildlife with the ambience of the atmosphere that will be created under the riverside.

There is a plus and minus on that, but we cannot undertake such major works without there being certainly in the short term a knock-on effect to wildlife and so on. All I can say is we seek advice from DAFF, from wildlife people and so on and say to them, is there anything we can do long-term to attract wildlife if it is appropriate, short-term to minimise the disruption. We take their advice and if we can do anything we will do that as long as it is within the reasons of practicalities.

Mr Duggan made the point about working day and night and I would again make the point about the work force. Because we have got the Old Castletown Road scheme approved by Tynwald last month, which is a large scheme which includes the pipe in the road being reconstructed, we have got the new road going out to Meary Veg, which will be reconstructed, and now we have got this third phase which is the centre line, the work force both department-wise and subcontract-wise from contractors and contractors is very stretched and they are already under pressure.

We are bringing in tight time scales. We anticipate this work being done within a year and, if members see the length of the route we are talking about, that is a relatively tight timescale. I would make the point that it sounds all right to work day and night, but people live in these areas and they would certainly be concerned if there was too much noise going on all through the night and so we have to again balance that up. One of the big pluses, hopefully - and I think members have seen this on the South Quay - is that the contractors will work with floodlights if it is appropriate. When the lighter nights come in, they will maximise the working hours within the times they can. But at the end of the day, it is no use having long hours if the work force is tired. The work force has got to be able to cope with the work as well and, while we have a lot of machinery, that has all got to be taken into account. So certainly our view is to get it done as quickly as possible and as safely as possible, and that is what we are endeavouring to do.

I thank Mr Braidwood for his support. He made the point that certain sections must be done or we will have a mess on the road, and he is quite right. The works have been phased but the main bits were brought in first. It is only because of the tendering process that these have come in in the way they have. We have had to get the first bit done first to meet the time scale that we need to meet to go to Treasury for concurrence and so on. As we as a department have developed these, our time scale has got slightly out of click but, at the end of the day, we know where we are going, and that is what is being done.

I thank Mrs Cannell for her comments and would just make the point that, again, I think I have answered, about the speed up of the works. As far as the treatment plant is concerned, the department is pushing to get to a stage either in July or October of 2001 to seek Tynwald approval for the Meary Veg works, and hopefully we can meet that time scale. We have held the initial interviews of interested contractors, from which it will be determined who to invite to submit contracts. That work is going on now and, hopefully, I will be at Tynwald before the end of the year 2001.

As for contingency plans and loss of power, my understanding is that in all the design of IRIS there has been an allowance for things going wrong. The holding tanks can hold for so long - and so on and so on. Again I have to say, as has been made clear in the past, that if we have a catastrophic problem and the power is off for a long time or whatever, the final solution, whether we like it or not, is that the catastrophic discharge will come into play and it will dump into the sea. Is that better than letting it pollute the villages and towns where people are living? The answer is yes, if you have no choice you have to do something, and that is the last option to us. It certainly is not one we want to see happen but, as we all know, nature sometimes can cause problems for us. My understanding is that that has all been built into the design so that in fact if a major problem happens then ultimately of course the sewage will continue to be discharged, albeit as a last resort, into the sea.

Sir Miles made the point about keeping roads open. I raised the issue with our people of whether or not it was practical on some occasions to totally close the road to do the work quicker. We have got to weigh up the advantages of cost to us; there could certainly be a cost saving if we do that, but it would cause disruption to the travelling public. We are very conscious that a large number of people who work in this Island travel into Douglas from all over the Island, so we have tended to balance up between controlled road openings. We are considering whether it is practical to open Marine Drive on a temporary basis.

Mr Delaney talked about the care of residents. All I would say is we certainly endeavour as best we can to keep people advised. He did talk about trees being cut down and I think the hon. member may have been referring to the Old Castletown Road -

Mr Delaney: At the side of the White Hoe, where Donald used to work actually; the tree line finishes there.

Mr Brown: Yes, but that was the scheme that I came with last month.

Mr Delaney: Yes.

Mr Brown: We are not reconstructing the road, we are just putting a new pipe in and repairing it. The reconstruction scheme was the last scheme in November which I brought and certainly -

Mr Delaney: Fork in the road.

Mr Brown: I cannot remember the numbers now of trees cut down but I did, I think, advise the trees to be cut down. I think it was somewhere in the region of 60, but of all different ranges and types of trees. As for liaising with the Water Authority, which Mrs Crowe raised, my department certainly has close liaison with all the statutory authorities on any of our major works. My understanding is that the

department and the Water Authority certainly should be aware of these works. They did in fact lay a new main along this road about two years ago; they were certainly in Crogga Hill, working down through that area. Certainly I will check that they are aware, but I am pretty sure that they are.

Finally, I put on record my appreciation to my chief executive, Mr Roy Cooil, and his staff, not just for this scheme but the whole of the scheme and all the points that have been brought to Tynwald. A tremendous amount of preparatory work had to go into this: tendering process, interviewing and so on. His commitment is 100 per cent, so I put on record my thanks to Roy Cooil, his staff and his support staff for all the work that they have put into this. I beg to move. (**A Member:** Hear, hear.)

The President: Hon. members, the motion before you is printed at 4 on your order paper. Those in favour please say aye; against, no. The ayes have it.

A division was called for and voting resulted as follows:

In the Keys -

For: Messrs Gilbey, Quine, Rodan, North, Sir Miles Walker, Mrs Crowe, Messrs Rimington, Brown, Houghton, Henderson, Cretney, Duggan, Braidwood, Mrs Cannell, Messrs. Shimmin, Downie, Mrs Hannan, Messrs. Singer, Bell, Cannell, Gelling and the Speaker - 22

Against: Mr Karran - 1

The Speaker: Mr President, the motion carries in the House of Keys, 22 votes in favour and 1 vote against.

In the Council -

For: The Lord Bishop, Messrs. Waft, Kniveton, Radcliffe, Mrs Christian, Messrs. Delaney and Crowe - 7

Against: None

The President: Hon. members, the Council is fully in favour. The motion therefore carries.

Digital Trunked Radio System — Expenditure Approved

The President: We turn then to item 5 on your order paper. I call on the Chairman of the Communications Commission to move.

Mr Bell: Thank you, Mr President, I beg to move:

- (1) *Tynwald approves the expenditure of a sum not exceeding £7,013,000 on the implementation of a digital trunked radio system for the emergency services and other departments of Government including the associated maintenance and support package;*
- (2) *Tynwald authorises the Treasury to expend during the year ending 31st March 2001, a sum not exceeding £1,068,000 from the capital transactions fund in respect of the additional expenditure; and*
- (3) *Tynwald authorises the Communications Commission, in conjunction with the Treasury, to investigate the option of utilising external finance for the project.*

At the July sitting of this hon. Court, members unanimously approved the expenditure for site development works necessary for the implementation of a digital trunked radio system for the emergency services and other departments of government. I am able to advise that these development works will commence shortly. During the debate on that motion, and also as advised on the briefing paper circulated to members at the time, I outlined the reasons which necessitated the introduction of

the new system. In addition, the relevant milestones were identified for the contract award and the ready-for-service date.

Members will recall that in January 2000, invitations to tender for a functional design specification were issued to two companies capable of carrying out the complete turn-key project - these companies being Somocco Europe Limited and Marconi Communications. The functional design specification covered three main elements: technical solution, innovative financial package and long-term maintenance and support. Following a comprehensive tender evaluation process, the Communication Commission on 4th August accepted the recommendation of the project team that Somocco Europe Limited be taken forward as the preferred supplier of the turn-key contract for the design - supply implementation bringing into service and post-implementation support of the Isle of Man Government tetra system.

Pre-contract negotiations have now been completed with Somocco Europe Limited and, subject to the approval of this hon. Court, it is intended that the contract be awarded with a system ready-for-service date of April 2002. There will then be a migration period to allow the phased introduction of the various users onto the system.

The total cost of this phase of the project is £7,013,000, as identified in part (1) of the motion, with expenditure of £1,068,000 in the current financial year, as identified in part (2). The breakdown of the total costs is as follows: the contract sum is £6,592,000; fine contingency £196,000 and project management £225,000. The contract sum as identified is the total cost of the new tetra system: the associated replacement digital microwave bearer network, the cost for individual user equipment and a comprehensive maintenance and support package.

Whilst it is the present intention of the Communications Commission to seek funding for this project by way of the capital transactions account, the procurement method adopted by my officers, ably assisted by their counterparts at Treasury, have secured terms within the contract to seek secondary financing for the project and hence provide a return of funds to the government for alternative use in the future. Members will of course be aware that the method of financing is predominantly within the remit of Treasury and part (3) of this motion merely seeks endorsement to this principle in respect of this particular scheme.

Following on from the debate at the July sitting of this hon. Court, I am pleased to be able to advise that, as a result of representations from members, additional users have been accommodated in the scheme, notably the Office of Fair Trading and DoLGE. The cost of additional equipment for these users is included in the overall expenditure identified. The list of users of the new system now totals 16 different organisations across government and have been identified in the briefing paper issued to hon. members.

Mr President, the motion before this hon. Court is the culmination of a comprehensive two-year design and feasibility study. As I stated at the July sitting of this hon. Court, reliable, efficient and secure communications are vital to the emergency services. The proposed new system will meet the radio communications requirements of the emergency services and other government departments for the next 15 years. Mr President, I beg to move the resolution standing in my name.

Mr Duggan: I beg to second, Mr President.

The President: The motion, hon. members, is that printed at - hon. member for Douglas East? You have to be quick.

Mrs Cannell: Thank you, Mr President. I was seeking to catch your eye, but I do not think you were looking my way, sir. There are a couple of matters I would like to query. I remember fully the debate that we had in July and the fact that it was a unanimous vote. However the cost of equipment is

quite substantial and, despite the fact that there is a 15-year maintenance and support contract in place, how long is the equipment actually guaranteed for? Fifteen years' maintenance is one thing, but at this sort of expenditure one would expect the guarantee period to have exceeded 15 years.

My second point is probably the thing that gives me most concern. I am aware that some of the emergency services are concerned about job security once this new system is up and running. I would seek some kind of assurance from the hon. chairman today that there will not be any redundancies when this new scheme is up and running. If jobs are going to be lost as a consequence of this, will the department look to retaining those members of staff, albeit in a different position or possibly even a different division within the department? One or two of the emergency services personnel have voiced concern to me, so I am merely putting it on record that there is concern. Can the chairman provide some sort of assurances today, please?

The President: The chairman to reply.

Mr Bell: Thank you, Mr President. I cannot give the hon. member the answer that she seeks on how long the guarantee is, but I will endeavour to find out as regards the individual equipment.

The second part of her question has got nothing to do directly with this resolution this morning. It relates to the establishment of the emergency services control room, or the joint emergency services control room. We have debated this in this hon. Court before and the hon. member ought to recall that I made it absolutely clear at that stage that there will be no redundancies. That statement has been repeated since, and it has been repeated to the staff. I have to say I am surprised that this point is still being raised. I do not know how many times we have to say it is our intention that once this control room is established, there may be a reallocation of work but there will be no redundancies in any of the emergency services which are currently affected by it.

I now have the information that the guarantee is for 15 years. With those two points in mind, I beg to move.

The President: Hon. members, the motion is printed at 5 on your order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Department of Education — Additional Expenditure Approved

The President: Item 6. I call on the Minister for Education, hon. member for Garff.

Mr Rodan: Thank you, Mr President. I beg to move:

That Tynwald authorises the Treasury in respect of the year ended 31st March 2000 to apply surplus receipts totalling £355,725 of the Department of Education in payment of excess expenditure.

By this motion, the department requests Tynwald to authorise Treasury to apply surplus receipts totalling £355,725 in respect of the financial year ended 31st March this year in payment of excess expenditure incurred by the Department of Education. Essentially, this is a technical tidying up in order to keep the books of the department straight. I apologise for the lateness of the explanatory memorandum in members' hands, but it does indicate the four areas where excess expenditure was incurred - that is, amongst secondary schools, the college, some special education needs expenditure and the inspections programme. However, surplus receipts were correspondingly recorded by the same secondary schools and college, as well as increased revenues in the other areas mentioned. I beg to move, Mr President.

The President: Hon. member for Douglas North.

Mr Henderson: I beg to second, sir.

The President: The motion, hon. members, is printed at 6 on your order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Permitted Hours (Registered Clubs) Order 2000 — Approved

The President: Hon. members, we will move on to item 10 on the order paper. I call on the Minister for Home Affairs to move.

Mr Bell: Thank you, Mr President. I beg to move:

That the Permitted Hours (Registered Clubs) Order 2000 [ISD No 737/00] be approved.

The order before the Court will, if approved, alter the ordinary permitted hours for the supply and consumption of liquor in registered clubs to allow the supply of liquor on Sundays between 12 noon and 11 p.m. instead of between 12 noon to 3 p.m. and between 7 p.m. and 10.30 p.m. from 17th December onwards. This will in effect allow registered clubs, if they wish, to stay open during Sunday afternoon all the year round and allow half an hour extra at closing times to bring Sundays in line with the closing time on weekdays.

The reference to section 77 in the preamble to the order should read 'section 51, sub-clause (3)'. This was an error, but does not affect the legality of the order and it will be corrected on the final printed document.

A similar measure was approved by Tynwald for on-licensed and off-licensed premises at the October sitting, following a successful trial period from Sunday 21st May to Sunday 29th October. The extension proved very popular with local residents and therefore it was agreed the hours for Sunday opening should be extended permanently. This is the final element of extension on Sundays to licensed premises. Therefore, Mr President, I beg to move that item 10 be approved.

Mr Delaney: I beg to second, Mr President.

The President: The motion, hon. members, is printed at 10 on the order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

European Communities (Petroleum Sanctions) (Revocation) Order 2000 — Approved

The President: We turn back then to item 7 on the order and I call on the Chief Minister to move.

Mr Gelling: Thank you, Mr President. I beg to move:

That the European Communities (Petroleum Sanctions) (Revocation) Order 2000 [SD No 738/00] be approved.

First of all my apologies, I had an urgent call. Item number 7 following the democratic elections which took place in Yugoslavia in September of this year and the subsequent collapse of the Milosevic regime the European Union has begun the process of removing its sanctions against the Federal Republic of Yugoslavia. Therefore, I beg to move the item standing at number 7 on the agenda today, sir.

Mr Brown: I beg to second and reserve my remarks.

The President: The motion, hon. members is printed at 7 on the order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

European Communities (Flights Restrictions) (Revocation) Order 2000 — Approved

The President Item 8, Chief Minister.

Mr Gelling: Thank you, Mr President. I beg to move:

That the European Communities (Flights Restrictions) (Revocation) Order 2000 [SD No 739/00] be approved.

As with the previous agenda item, I would ask the hon. Court to support the motion to approve the European Communities (Flight Restrictions) (Revocation) Order 2000, which removes the European Community restrictions in place against the Federal Republic of Yugoslavia in respect of flights. I beg to move, Mr President, item number 8 standing in my name.

Mr Brown: I beg to second and reserve my remarks.

The President: Hon. member for Douglas North, Mr Henderson.

Mr Henderson: Thank you, Mr President. I just think it is worth noting that, after all the trouble and strife that the affected countries have been through, it is a pleasure to see these orders on our agenda paper, revoking the restrictions that were initially placed due to the unacceptable goings on out there. I hope that the place will finally settle down and move forward, Mr President.

The President: Chief Minister.

Mr Gelling: Yes, only to thank the hon. member for his comments, Mr President.

The President: Hon. members, the motion is printed at 8 on your order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Draft European Communities (Control of Exports of Dual-Use Items and Technology) (Application) Order 2000 — Approved

The President: Item 9, again the Chief Minister to move.

Mr Gelling: Thank you, Mr President. I beg to move:

That the Draft European Communities (Control of Exports of Dual-Use items and Technology) (Application) Order 2000 (draft) be approved.

The European Communities (Control of Exports of Dual-Use items and Technology) (Applications) Order 2000 applies the provisions of EC Council regulation No 1334/2000 to the Isle of Man as part of the law of the Island. The EC regulation concerns the setting up of a community system of export controls for what are known as dual-use items. The regulation defines dual-use items as items including software and technology which can be used for both civil and military purposes and all goods which can be used for non-explosive uses and which can assist in any way in the manufacture of nuclear weapons or other nuclear explosive devices.

Much of the EC Regulations applies to the Island automatically under the terms of protocol, 3 to the extent that it deals with the control of export of dual-use goods. The other provisions of the regulation concerning the export of technology and software, which therefore relate to the export of services, are not covered. It is therefore necessary, if the Island is to avoid being used to circumvent these measures, that the EC regulation be applied by order under the European Communities (Isle of Man) Act 1973. Mr President, I beg to move the item standing at number 9 in my name.

Mr Brown: I beg to second and reserve my remarks.

The President: The motion, hon. members, is that printed at 9 on the order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Local Authority Members (Attendance Allowances) Order 2000 — Approved

The President: Having dealt with 10, we will now turn to 11. I call on the Minister for Local Government and the Environment to move.

Mr Gilbey: Thank you, Mr President, I beg to move:

That the Local Authority Members (Attendance Allowances) Order 2000 [SD No 727/00] be approved.

This order describes the amount of attendance allowances that can be paid to members of local authorities. As has been the case previously, the amount involved is comparable to that which is payable to non-Tynwald members of government bodies and committees. The actual increase per session is from £17 in 1996 to £25 in 2001, which is an increase of £8. The maximum limit goes up from £2,040 in 1996 to £3,000 in 2001, which is an increase of £960. However, as hon. members may recollect, the attendance allowance is not mandatory and is paid only to the members of those local authorities who specifically resolve that the allowance should be paid to their members. Mr President, I beg to move.

The President: Hon. member for Douglas North.

Mr Houghton: Yes, sir, I beg to second.

The President: The motion, hon. members, is printed at 11 on the order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Local Authority Members (Travelling Allowances) Order 2000 — Approved

The President: Item 12, Minister for Local Government and the Environment.

Mr Gilbey: Thank you, Mr President, I beg to move:

That the Local Authority Members (Travelling Allowances) Order 2000 [SD No 726/00] be approved.

This order increases the mileage allowance the claimants of local authority members may claim in respect of travel undertaken in respect of their official duties. Again the payments are not mandatory, but the local authorities may specifically resolve to receive the allowance if that is their wish. The sums involved are the same as those which can be claimed by members of this hon. Court and officers of government and in fact range from an increase of four pence a mile for motorcycles to a maximum of eight pence for cars up to 1299 cc doing over 6,000 miles. Mr President, I beg to move.

Mr Quine: I beg to second, sir, and reserve my remarks.

The President: Hon. member for Onchan, Mr Cannell.

Mr Cannell: Yes, Mr President. Just a quick remark that we look forward to the reduction in claims for travelling allowances from the members of Douglas Corporation now that, having failed to accept the principle of having lap dancers at the Villa, its members have now been equipped with lap top computers. That will enable them to calculate how much they expect to get from the transfer of the Villa to the government.

The President: Hon. member for Onchan, Mr Karran.

Mr Karran: Can I just ask the hon. mover whether the allowance is taxable and whether it affects claimants if any of them are on benefits?

The President: Hon. member for Council, Mrs Christian.

Mrs Christian: Mr President, I just rise perhaps to assist the minister who has moved this item to say that in respect of benefits the question was cleared up a couple of years ago. It is quite specific which matters of allowances are disallowed for benefit purposes.

The President: I call on the minister to reply.

Mr Gilbey: First of all I would like to thank the first hon. member for his witty intervention.

Several Members: Yes, it was.

Mr Gilbey: Regarding the points by the other hon. member for Onchan, Mr Karran, I am most grateful to my colleague the hon. Minister of the DHSS for dealing with the social security side of the question. Is it taxable? A mileage allowance I do not think is taxable for anyone.

The President: Hon. members, the motion before us then is that printed at 12 on the order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Building Control (Ramsey) Order 2000 — Approved

The President: Item 13, again the Minister for Local Government and the Environment to move.

Mr Gilbey: Thank you, Mr President. I beg to move:

That the Building Control (Ramsey) Order 2000 [SD No 612/00] be approved.

The Department of Local Government and the Environment recently received correspondence from the Ramsey town commissioners stating that their building control officer had left their employment and they had been unable to attract a suitably qualified replacement. The local authority therefore requested the department should, for the purposes of the Building Control Act 1991, become the building authority for the town district of Ramsey.

The provision of a continuous building control service is essential to protect the public and the environment. For that reason, arrangements were immediately made on a temporary basis under the Local Government Act 1985 for the department to make suitable staff available to the commissioners so that building control in the district did not lapse. However, this arrangement is not suitable for long-term cover and so the department must assume the function permanently by an order under the Building Control Act 1991.

The estimated increase in workload will be 100 to 120 new applications a year. However, it is proposed that the department would employ a structural engineer with building control experience in order to reduce the cost of professional services currently being brought in privately and also offer professional assistance to other sections of the department. Mr President, I beg to move.

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

The President: Hon. member, Mr Kniveton.

Mr Kniveton: Thank you, sir. Normally, I support the minister in his department, but on this occasion I rise to oppose the motion in its present form. It appears obvious to me that, should the Department of Local Government and the Environment take over the building authority for Ramsey and make no charge - that is to say, a completely free service - it is grossly unfair. Other local authorities employ their own planning/building officers to carry out their own function in building at a cost to the ratepayers of their particular local authority. I am of course referring to Douglas, Onchan and Peel. In each case, they have their own building officer or officers to perform the necessary function for their local authority, and the cost to the authority must be borne through the ratepayer. I accept that fees are collected which are used to part way offset the costs of manning the building authority office, but I hasten to add that in many years, revenue may only be small. As I say, my opposition to this motion is simply on revenue grounds.

I know for a fact as an ex-Onchan District Commissioner that this service costs the ratepayers of Onchan and District a rate of between 3 and 4 pence. It costs Onchan between £20,000 and £25,000 to employ a man on a shared duty basis, including all other costs that go with the position such as vehicle expenses and office running. Compare this, hon. members, with the cost to the department as

set out in the resource implications. I guess it costs Douglas much more and Peel nearly as much as Onchan.

Let me go a stage further and ask the minister, what would be the situation in the case of Douglas, Onchan and Peel should any of those three authorities decide they do not wish to employ a building control officer, but that they just want to come to him and ask him to take out an order, as he is doing today for Ramsey? Can I ask the minister, would he be prepared to take on all or any of these local authority works and to provide a service free of charge to these local authorities?

I am given to understand that the building control officer position was advertised by the Department of Local Government and the Environment, which finished up by appointing the Ramsey officer to the position, thus leaving the position vacant at Ramsey. Again, I am given to understand that the situation is rather like panning for gold. Rarely can you get hold of a new building control officer. Might I ask the minister, is this but one reason why this order is before this hon. Court, as recompense to Ramsey for, shall we say, taking the Ramsey man from them?

I accept that it is a free world and an employee can move around if he so wishes. Unless I am convinced otherwise, I shall not support the Building Control (Ramsey) Order 2000, unless I am told that Ramsey had to pay for this service. I have presented a white paper, which in the meanwhile I wish to submit as a motion for adjournment of this debate, as set out on this white paper, which has been circulated to hon. members for all the reasons I have just given. I thank you, sir.

The President: Hon. member for Onchan, Mr Karran.

Mr Karran: Vainstyr Loayreyder, I am glad that the hon. member has taken the decision to move this amendment because I was going to vote against this proposal here today. I have already drafted an amendment in another place to the Local Government (Miscellaneous Provisions) Bill and I have written to Onchan Commissioners over this subject because I believe it is morally wrong. We hear so much talk in this hon. chamber about how local government should be more responsible and should take on more duties, and here we are actually penalising progressive local authorities.

Was there not a standing order about when something is in place in one of the branches, that this issue should not be addressed here anyway? As there is an amendment to the present Local Government (Miscellaneous Provisions) Bill that I have advanced through the Attorney-General's department, there could be an argument as far as that is concerned.

I do not complain about Ramsey doing what they do. I think that if I was a Ramsey commissioner and I could get away without it, as a person who inherited a statutory board where for years the priority was to keep the rates down and do nothing at any expense, I have got no criticism of Ramsey Town Commissioners at all. They are just doing what most commissioners would do and are doing in the Island. I think that this hon. Court needs to change its priorities from just saying, 'Oh well, my constituency local authorities get it free, so I might as well keep the status quo.' It is either right or it is wrong. I believe that this Court should not debate this issue any further. Let them go back and discuss it, because at the end of the day, it is being done at the present time, but once this order goes through it will more than likely take years to go back to getting this service back in that area by the Ramsey commissioners.

If my amendment was to go through, other local authorities in the north of the Island would have had the opportunity to choose between paying the DLGE or paying Ramsey Town Commissioners for the building control services, the same as in Onchan, with, more than likely, the neighbouring local authorities.

I believe that we should support the hon. member for Council because I think this needs to be sorted out. It is in another place, there is an amendment already drafted and I think hon. members

should do that. It is not an attack on Ramsey or on any other local authority. The fact of the matter is that this issue needs to be resolved. We hear an awful lot of talk about local government reform, but the ones that are progressive enough to actually do something and try to get their house in order are actually penalised for doing so.

The other issue I would like the minister to inform this hon. Court on is the order itself, when it talks about taking over this building control for the Ramsey order. I know that they do a certain amount of training, but part of the reason we are here today, too, is the fact of the costs of training and I think that local government in the Island should get far better support than the miserable amount of support they get at the present time for training. Again, on another front we see directly in this order that we work against local authorities being progressive, doing their own thing and also we work against them when they are good, progressive employees in giving them the facilities to train up people to take these posts. They are an actual liability to their local authority rates system and I can appreciate the pressures that are on the person who is in charge of a statutory board that depends on rates.

The President: Now, hon. member, you indicated on a couple of occasions that you were giving support to the hon. member for Council, Mr Kniveton. Can I take it you are seconding his motion?

Mr Karran: Yes.

The President: In that case, hon. members, we move into an adjournment debate and I call on the hon. member for Ramsey, Mr Bell.

Mr Bell: Mr President, if ever we needed an example of the abject failure of this government's policy to reform local government, this is the issue we should be looking at. The only reason this is here today is because of the total failure to address this problem and the inequities which have developed over the years within the system.

I can assure hon. members in respect of Ramsey. To quote the member for Onchan, it is one of the more progressive local authorities on the Island. It is not one which is likely to have been willing to shed its responsibilities. The situation has come about quite simply because, as the hon. minister has said, the Ramsey officer has been poached from Ramsey to work for government. Ramsey has been totally incapable of finding a replacement officer, and, therefore, if this work is to be done at all, it has to be done through the centre.

At the same time, until this date, Ramsey has been paying willingly the salaries and expenses of the officer for Ramsey while most of the other local authorities in the Island have been getting a free ride with the local government department paying for everything. This is the iniquitous situation we have had over the years and these are the anomalies that should be resolved. I am not sure about Castletown, but certainly Ramsey, Peel, Douglas and Onchan have been the only ones paying for this service through the rates for a number of years, while the rest of the Island has been getting it from government. It is another example that highlights the crying need to reform local government to bring these anomalies into some sort of line.

Simply deferring this issue today and adjourning it to some future date will not resolve the immediate problem of Ramsey, which has got to have this problem addressed. The wider problem, the one of local government reform, is the only way you are going to finally get to the root of this problem. This Court has repeatedly shied away and lost its bottle when it comes to addressing local government reform. Until you address that, you are never going to get to the bottom of the smaller problems. This is only the latest of a number of issues which have been raised on the inequalities of local government and until you do that it will be only one of a number coming your way.

I would urge hon. members, while accepting some of the points that the hon. member for Onchan has made, to please recognise the difficult situation that has been forced upon Ramsey through no

choice of their own. They would have no desire to pursue this if they had an alternative, but they do not have an alternative. By turning down this resolution today you are going to leave them in an absolutely impossible situation, so I would urge hon. members, please reject the amendment and support the move by the minister, but bear in mind that there does need to be some urgent attention on the more deep seated problem.

The President: Hon. member for Council, Mr Delaney.

Mr Delaney: It would be tempting to support the amendment for my colleague, it really would. I wanted, however, to hear what the members for Ramsey had to say on this. The situation is one that private industry in the Isle of Man is going through every week in respect of full employment. Their staff are being poached, they are having to refill in and they have the problem of dealing with that. Government, and this is about the first time we have actually had it in this court, is facing the problem of filling up holes in positions when they arise throughout local authorities and internally in government. This is what you are going to get as one of the consequences of the success the Island is facing.

But we cannot vote against what the minister is proposing because it would leave Ramsey in a state of limbo in relation to planning. That is the consequence of voting against it. What I would like to address with the minister is that we did not clarify the position of the officer we have got who has been poached from Ramsey. If we had to poach from somebody else, if available, to fill the gap in Ramsey, what is going to be done to ensure that Ramsey comes back into the fold of controlling its own planning situation? As a past minister, I am as other ministers are, totally committed to giving local authorities more say in what happens in their areas. This particular situation in my opinion reduces the responsibilities of local authorities when we should be increasing them.

The member for Ramsey has raised the issue of reform in local government, on which we have gone through absolute hell.

Mr Quine: And back again.

Mr Delaney: And back again. We have gone through the hell of trying to do something about it. We have spent so many hours in this Court debating reform of local government.

Mr Quine: We have not tried very hard.

Mr Delaney: The hon. minister says that we have not tried hard. He has been in government for I do not know how many years, but he knows as well as we do how hard we tried when we were in a ministerial position. I would love to have a solution I could give him, but we have not got one because nobody can agree a formula with the local authorities that will get us moving forward together to try to give them what they and we want. There is no meeting place down that road.

I know we are talking to adjournment, but the fact is I will not support it. I believe the minister has got no choice but to put this through. We all will have at some time, I believe, to face up to what is happening. People are going to be poached from one place to another and you have to take steps to try and alter the situation. That is all that this does. I want from the minister the assurance that Ramsey will not be left in a position of relying on central government or on a local government department to look after its planning. I want that assurance because I happen to think Ramsey has done a good job in looking after its planning in the past. Hopefully, lots of officers will be available to see the progress that Ramsey needs in future.

The President: Hon. member for Peel, Mrs Hannan.

Mrs Hannan: Thank you, Eaghtyrane. I believe that this motion before the Court can be adjourned and that the Department of Local Government and the Environment should come back with a plan for the actual charging to all local authorities in receipt of this from the department. The motion

does not come into force until 1st April 2001, so it gives the department ample opportunity to come back to this Court to say what the charges are going to be and that everyone is going to be treated equally, so that Douglas will be paying for theirs on the rates and Ramsey are also paying for theirs on the rates. We should also be assured that Castletown pay for theirs on the rates and that Peel pays for theirs on the rates, which they are doing at the moment.

I think we should be looking to treat each ratepayer equally, but this is what we are currently failing to do by taking over the building control for Ramsey and not eventually passing on the charge to them in April. I have made a case that it should be adjourned, for the department to come back and for that charge to be passed on to each local authority. I think the local authority will understand the responsibilities that they have, along with government, to make sure that building control orders and everything to do with planning has a cost.

The President: Hon. member for Ramsey, Mr Singer.

Mr Singer: Thank you. I will be brief, Mr President. I hope that hon. members will turn down this motion because of the difficult circumstances in which Ramsey finds itself. I hope that members will recognise those difficulties and support the original motion. I think there is no problem in supporting the amendment if the words, 'That the debate be adjourned until,' were taken out, because I think that the Department of Local Government should be looking at some fair fee structure that, as the previous speaker said, ensures that either everybody pays, or nobody pays.

Mrs Hannan: That's right.

Mr Singer: I agree with that, and I think that the minister should be taking that back to his department and perhaps coming forward with a report on everybody paying. It is about time everybody paid. As my colleague says, this has been one of the problems with local government reform and the lack of local government reform: some people have had to pay and others have not. It is a very bitter pill to swallow when you have to pay it and others are not. I hope that members will reject this amendment for the reasons I have stated, but by all means I hope the minister will come back so that we can have a fair structure for payment for every single person on the Island, and not favour some and not others.

The President: Hon. member for Onchan, Mr Cannell.

Mr Cannell: Yes, Mr President, I love all this talk about local government reform coming out of the blue. You look at the agenda and you say, 'We will be home by 5 o'clock.' There is always something. But as chairman of the current committee looking into local government reform, I did not find that people were battering down our doorway saying, 'We are with you, boy.' They were saying nothing of the kind, they were saying, 'This is the latest mug who thinks he can reform local government. He doesn't stand a chance whatever.' That is borne out by the fact that when I first came into the honoured office I called for the back documentation on it, and when the wagons had finally moved away from the door, I was left with a mountain of correspondence and back reports taking local government reform from at least 25 or 30 years before. This report whose production we are facing now probably stands no better chance of coming to fruition. I would like to think it did, but I do not think it is going to happen. For some people to stand up in this electoral year and speak to me of local government reform when they know in their hearts that they could not chance it whatever -

Mr Delaney: You've got more chance of winning the lottery!

Mr Cannell: That is just the height of hypocrisy, but I suppose, it being the festive season, we can allow a little bit of indulgence.

The President: Only so much, Mr Cannell.

Mr Cannell: Indeed, sir. It has been though an anomalous situation previously; this has just brought it to a head. You have not had the break away by the Ramsey people who rub their hands and say, 'Thank goodness our man was poached, we can have his services from Mount Havelock now for a lot less cost' - in fact, for no cost.

Mr Downie: Free of charge.

Mr Cannell: Except on their taxes, that is. That is fine. You are getting the same person as regards Ramsey, except that his interest is spread presumably for the responsibilities for the rest of the department as well. Ramsey must be laughing, and in fact it would be very tempting to say to Peel, Onchan and Douglas, 'What I would advise you to do is get shot of your building officers forthwith.' And then the Department of Local Government, without actually any recourse to having a service, would rehire them on contract and all the people would get the benefit of their rates.

Is that really what we want? What we want is the job doing because it has not been getting done efficiently because the anomalous situation, as has already been pointed out by the hon. member for Ramsey, has been that most of the local authorities in the Island have been enjoying precisely that service for no cost except through the taxation system, and for no direct cost to the ratepayers.

It is only the forbearance of the larger authorities who prefer to take a better look at their affairs and say, 'We need our own local control on it,' which has caused them to do it. It would be a sad day if it was all to be completely centralised because, presumably, then the fight would be on to try and get the services for the particular area in question. But there is absolutely no doubt that building control has been sadly lacking in the Isle of Man in certain areas.

There are all manner of practices which need bringing back to what they were 20 years ago, when there was great building control on the Isle of Man. We have seen some glaring anomalies, certainly in the case of Ramsey. I admire them for their gall in coming along - well, they are not coming along directly, but I admire the department on their behalf - for, after having pinched their man, now coming along and saying, 'We will let you have him back and it will not cost you anything.' I would certainly be interested in an economic situation for funding my housekeeping bills like that, I must say.

Mr Karran: I would trade in the wife!

Mr Cannell: I am talking about raising a substantial amount of money. *(Laughter)*

The President: Hon. member, you should be talking about the adjournment.

Mr Cannell: The motion moved by Mr Kniveton is an adjournment, and I do not think it is unreasonable that a fee structure should be set of which this hon. court would ultimately approve. It says, 'Fully meets the expenditure.' And I will say one thing: when someone gets down to putting the figures down to see what it actually costs, I think there will be a surprise. I will bet it is a lot more than the £20,000 to £25,000 which has been mentioned. That, presumably, is just a gentleman's salary. When you add on all the rest of the costs, I will bet it is double.

The President: Hon. member for Rushen, Mr Rimington.

Mr Rimington: Thank you, Mr President. I, hopefully, will be brief. The adjournment I do not think should be taken. I do welcome the comments requesting the Department of Local Government to look at the whole structure of charging - that is a fair issue - but local authorities have to have their budgets set by the beginning of February and beyond next year, so that date is going to go back to before the end of the December. So whatever this hon. Court did in the intervening time, if it made substantial changes to how they were going to be charged, it would severely mess their budget up. I think we have missed the boat on that one. What we need to do is support the order as stands and request that DoLGE look at this issue in greater depth.

The President: Hon. member for Douglas West, Mr Shimmin.

Mr Shimmin: Thank you very much, Mr President. I disagree with the previous speaker. Any budget provision should already have been budgeted for for the following year, because of the current practice of budgeting for it. As a contingency, they could leave the moneys in for the following year. I believe that the hon. member for Peel, Mrs Hannan, identified that this is for April. As the minister by title is the Minister for Local Government and the Environment, it is his responsibility to look into these affairs. There has been enough concern expressed today for him to go away and look at this motion for a fee structure.

I also believe that we have an opportunity every now and then to take select committees and to bring them forward at a timely occasion. One of the previous speakers is the chairman of this select committee, which was extremely rapid in coming back with a previous committee's report. So far this afternoon, we have heard three members of that committee all talk in favour of local government reform. That, to me, is a majority of a five-person committee. Why are they not back here? Keep the pressure on the minister for some reform. His own government department theoretically proposed a reform of local government. This adjournment is the means by which we will impress upon the minister the need for some action.

The President: Hon. member for Council, Mr Crowe.

Mr Crowe: Thank you, Mr President. As the member responsible for building control, I have to say a few words today.

Mr Delaney: And he doesn't care if it is election year or not.

Mr Crowe: Certainly I will be voting against Mr Kniveton's adjournment today. I think we are in this position because Ramsey does not have a building control officer at present. In spite of discussions with it to try to find a solution to this and to encourage it to recruit, it has failed to do so. Under the statutory responsibilities of the department, we have to take over that responsibility. It cannot go into a vacuum, it has to be taken over.

On fees generally, one of my current tasks with the department or with the division is to look at the whole of the fees for planning which are separate from building control fees. We are looking at trying to increase the costs because they do run at a deficiency, but remember that if you bring it into a zero position where your fees are paying for the cost of services, you are going to add that cost onto your housing and have an added cost there.

We are looking at bringing the building control fees and planning fees, increasing them probably greater than inflation, but we will not be bringing this back until probably June of next year. What I am saying is that I would like members to support the original resolution and not to support the adjournment debate. I would leave it at that, Mr President.

The President: Hon. member for Rushen, Sir Miles.

Sir Miles Walker: Thank you, Mr President. I think an assurance from the minister that he would look into the fee structure, or possible fee structure, should avoid the need for the adjournment resolution. It would be nice to feel we can get on with the matter in hand, but have the department look at a suitable fee structure.

It is not very long ago that the Local Government Act was changed to allow the local government department to offer a centralised service to those local authorities that did not want to, or in some way could not, employ their own officer. Port Erin, Port St. Mary and, I think, Castletown have all gone down that route. It is true to say that there is a feeling, or there certainly was a feeling within the Department of Local Government that a centralised service was better and more efficient, and that the same level

of service and of compulsion would be applied to any individual carrying out building works, wherever in the Island they lived. There was a great degree of variety in the way that control was levied by the half dozen different officers that there used to be in what some would term the good old days.

I have no problem at all with the thought of a fee structure, local authority charging and a common cost. I do think, though, that the matter raised by the hon. member who has just resumed his seat is one that ought to be looked at. If a cost is to be levied on the local authority for building control, which I am not against, then we ought to have another look at the fees for building control. My understanding of those fees is that they were meant to go some way to meeting the cost of building control. If they are going to be met in another way, then we are talking about a tax on development. I do not think that that tax, if that is the way it is going to be applied, should be applied at all.

I look to the minister for an assurance that this matter will be looked at seriously by the department and that it will report back in due course. I hope we can avoid the adjournment and get on with facing up to the problem that faces Ramsey at the moment.

The President: Hon. member for Douglas West, Mr Downie.

Mr Downie: Thank you, Mr President. I think we are looking at a situation which does go back over a long timespan, where a lot of these building control officers actually worked with bye-laws which were peculiar to their own area. It is not unique in the construction industry to have bye-laws which existed in the borough of Douglas to be different from those adopted by Peel, Ramsey or other places. Over the last few years, we have seen in government the two systems, the building control system and the planning, operate out of the planning department in Douglas, so that when they do go out on site they have the same criteria to work with, such as the planning application and all the other appendages which also form part of the building control mechanism. When the building is completed they should then be in a position to make sure that it complies with the planning conditions. They then write out a habitation certificate under the Building Control Act, which states that the building is fit to live in.

I have no problem with centralising the services to some extent if some of the smaller authorities want to opt out, but it is quite simple. If Ramsey Commissioners do not receive a building control fee any more, or any other local authority does not receive a fee, if the fee is paid with the planning application of central government, I do not think there is an argument. If we can get that clarified, there is not a case at all.

A lot of local authorities find it extremely difficult to recruit a building control officer because such people, at this particular time, are very much sought after. A lot of them are working in the construction industry, where the salary is probably twice as much as they would get by doing building control works. I sympathise with Ramsey, but if they are not receiving any money from building control I do not think that they should be penalised. It is as simple as that.

The President: Hon. member for Glenfaba.

Mr Gilbey: Mr President, it is a bit unfair for people to talk about poaching and pinching staff. The fact is that the department put an advertisement, like many other departments are doing constantly, in the appropriate journals for a building control officer. Anyone could apply for that job and it happened that the building control officer for Ramsey applied. I well remember 30 years ago that there was a code in this Island. It was a very good one, which was that you never took anyone else's employee from anywhere. I well remember being in a bank and being told very firmly by the Isle of Man Bank -

Mr Delaney: It must have suited the employers!

Mr Gilbey: -in no circumstances can you take someone who works with us. For better or for worse, times have changed and now it is freely accepted that if someone advertises and people apply, even if they work for someone that you know or are connected with, they expect you to consider their application. That is what happened in the case of this building control officer for Ramsey. He was interviewed. He was found to be suitable. He was accepted and the fact is very probably that had he not been employed by the Department of Local Government, as he clearly wanted to leave his existing employers for reasons best known to him, he would have gone to the private sector.

I am then asked what would be the position if Douglas, Onchan and Peel -

The President: Hon. member, I take it you are speaking to the adjournment.

Mr Gilbey: Yes, sir. I asked what would happen if they could not undertake their functions. This department has a duty in the public interest to take them over. (*Laughter*) There is no doubt about that at all. We do not want to take them over, but we have a duty to do so. That is why we took over the work from Ramsey. They said they could not get anyone, having tried, to replace their lost officer and we had a duty.

I cannot believe that this hon. Court would want Ramsey left without any building control whatsoever. But I can assure hon. members of this Court - already members of another place, the Keys, have been assured - that, as the hon. member of Council, Mr Crowe, says, this whole matter of charges to local authorities is already being worked on. There is no need to promise the hon. Sir Miles Walker that this is going to be worked on. It is being worked on and I can undertake we are continuing to work on it. We shall have a report by the end of June, or June Tynwald, as the hon. member, Mr Crowe, has said. That will not only cover charges for building control officers. That is just part of the story. We have got to think of charges -

Mr Downie: Get this thing out.

Mr Gilbey: - for the work of Environmental Health Inspectors and all the other services that are provided by the department.

Mr Downie: Bend over!

Mr Gilbey: We shall come forward with a complete plan of charging for all services provided by the department for local authorities. I hope, on that assurance, hon. members will see that there is no advantage at all in delaying a resolution to approve what we are already doing, which we are already doing by default because, in the public interest, we have had to take over this work.

The President: Hon. member for Council, Mr Waft.

Mr Waft: Thank you, Mr President. I just thinking back to the policy debate where I raised the situation (**A Member:** Hear, hear.) as regards the Ramsey building control officer. I gave my thoughts then. I think that only one other member, the member from Peel -

Mr Cretney: That is right.

Mr Waft: - made comments about it. But now everybody seems to be realising (*Interjections*) what is happening and quite honestly -

Mr Cretney: Foresight.

Mr Downie: What about the capital vote?

Mr Waft: - we are sending out completely the wrong signals to all the local authorities if we start going down this road. We have heard about the budgets. Now this man was being paid, I take it, until he left the service. He would have been budgeted for the whole year anyway, so the salary that could

be implemented against Ramsey will have been encompassed within that budget. I do not see any problem with regard to budgets. Apart from recruitment, they might say that they cannot find anybody on the open market, but we all have the same problem when trying to recruit, whether from local authorities or central government.

If you want somebody you go out and find him. If you have difficulty finding, you have to look for other means to train up people for the jobs when people retire. It is all right saying, 'Oh, somebody is going to retire. We will pass it on to central government. They will do it. It will not cost us anything.' When Castletown gave up its building control officer, I was in the Onchan commissioners, and it sent ripples through the other local authorities to say, 'Well, Castletown can do it. They will not have to pay. Why should we continue to do so?' But Onchan continued to do so because they felt that there was a lot of building going on. The economy was thriving up in Onchan. There was building going on everywhere and I notice that the members for Ramsey are quite happy to have further building in that area but do not want the building control officer to be responsible for it.

A Member: Yes, we do.

Mr Waft: You cannot have it both ways and you are getting it into a whole debate on local authorities. Quite honestly, to stand up and say, 'We are in favour of this', and then vote entirely the other way because of their political problems at the time is an absolute nonsense. You have to grasp the nettle, vote for the adjournment and make the local authorities realise they have to pay for the services they require and not look for the easy way out. Thank you, Mr President.

The President: Hon. members, having exhausted the list of people who wish to speak on that, I propose to put the motion as moved by Mr Kniveton. Those in favour of the motion for adjournment, as moved by Mr Kniveton. Those in favour please say aye; against, no. The noes have it.

A division was called for and voting resulted as follows:

In the Keys -

For: Messrs Shimmin, Mrs Hannan, Karran, Cannell - 4

Against: Messrs Gilbey, Quine, Rodan, North, Sir Miles Walker, Mrs Crowe, Messrs Rimington, Brown, Houghton, Henderson, Cretney, Duggan, Braidwood, Downie, Snger, Bell, Corkill, Gelling and the Speaker - 19

The Speaker: Mr President, the adjournment motion fails to carry, only 4 votes in favour and 19 votes against.

In the Council -

For: Messrs Waft, Kniveton - 2

Against: The Lord Bishop, Mr Radcliffe, Mrs Christian, Messrs Delaney, Crowe - 5

The President: Two members of Council having voted for and five against, the motion for adjournment therefore fails to carry and we can continue then with the motion on the order paper. I call on the hon. member for Glenfaba to reply.

Mr Gilbey: I do not think there is any need to say anything. (**Members:** Hear, hear.)

Mr Delaney: Yes, resign.

Mr Gilbey: Thank you. (*Laughter*)

The President: Hon. members, in that case the motion before us is that printed at 13 on the order paper. Those in favour please say aye; against, no. The ayes have it.

A division was called for and voting resulted as follows:

In the Keys -

For: Messrs Gilbey, Quine, Rodan, North, Sir Miles Walker, Mrs Crowe, Messrs Rimington, Brown, Houghton, Henderson, Cretney, Duggan, Braidwood, Downie, Singer, Bell, Corkill, Cannell, Gelling and the Speaker - 20

Against: Messrs Shimmin, Mrs Hannan, Karran - 3

The Speaker: Mr President, in the House of Keys the motion carries, 20 votes for, 3 votes against.

In the Council -

For: The Lord Bishop, Mr Radcliffe, Mrs Christian, Messrs Delaney, Crowe - 5

Against: Messrs Waft, Kniveton - 2

The President: Hon. members, again the 2 voting against in the Council, 5 for. The motion therefore carries.

**Merchant Shipping (Liability of Shipowners and Others) (Calculation of Tonnage)
Order 2000 — Approved**

The President: Now hon. members I have been asked by the minister to withdraw item 14. We turn now to item 15 on the order paper and I call on the Minister for Trade and Industry to move.

Mr North: Thank you, Mr President. I beg to move:

That the Merchant Shipping (Liability of Shipowners and Others)(Calculation of Tonnage) Order 2000 be approved.

This is of a technical nature, details of which have been circulated. I beg to move that the Merchant Shipping (Liability of Shipowners and Others)(Calculation of Tonnage) Order 2000, be approved.

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

The President: Hon. member for Onchan.

Mr Karran: Eaghtyrane, I would like to know in respect of this order, about the implications of the latest piece of European legislation that has just come out from the EU to do with shipping. I believe that they are talking about saying that all vessels that go into any European port have to have a £50 million liability. There are certain construction issues, such as whether it has to be more if it is a one-haul tank or whatever. Can the hon. minister inform us whether that will have to be augmented at a later date or will this order cover the liability as far as the insurance issue is concerned?

The President: Minister to reply.

Mr North: Mr President, this is purely updating the 1976 convention on a limitation of liability for maritime claims, in which a ship owner's liability may be limited to various amounts which apply depending upon the ships gross tonnage. As far as I know, it has got nothing to do with the EU directive that is coming out.

The President: Hon. members, the motion is that printed at 15 on the order paper. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.

Procedural

The President: Item 16, Treasury minister.

Mr Corkill: With your leave, Mr President, I beg to withdraw item 16. There is a drafting problem.

Hydrocarbon Oil Duties Act 1986 (Amendment) (No. 3) Order 2000 — Approved

The President: Item 17, Minister for the Treasury.

Mr Corkill: Mr President, I beg to move:

That the Hydrocarbon Oil Duties Act 1986 (Amendment) (No. 3) Order 2000 be approved.

The purpose of this order is to make various amendments to the Hydrocarbon Oil Duties Act 1986 in order to facilitate the introduction of a new type of road fuel known as ultra low sulphur petrol. I beg to move the item at 17 standing in my name.

Mr Radcliffe: I beg to second.

The President: Hon. member, Mr Karran.

Mr Karran: Is the facility available for our own tax payers in the Island?

Mr Corkill: Mr President, the purpose of this order is, for customs and duty purposes, to actually recognise that this fuel will in the future be available. It is not available on the Island at the moment. Its distribution throughout the United Kingdom is very limited, but with environmental improvements to hydrocarbons that are used for fuel purposes, it is expected that this ultra low sulphur petrol will be more available in future, so this is amending the order to ensure that duty can be applied to such a substance.

The President: The motion, hon. members, is printed at 17 on your order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Export of Goods (Control) (Amendments No. 5 and 6) (Application) Order 2000 — Approved

The President: Item 18, Minister for the Treasury.

Mr Corkill: Mr President, I beg to move:

That the Export of Goods (Control)(Amendments No. 5 and 6) (Application) Order 2000 be approved.

The purpose of this order is firstly to apply an Island law to export control orders that make amendments to one of the principal pieces of export control legislation, the Export of Goods (Control) Order 1994. The changes are connected with removing the term 'utility' from the restriction on all-wheel-drive vehicles capable of off-road use, so widening the scope of the control. At the same time, certain specialised vehicles such as those equipped for land mine clearance are exempted.

Extending the controls on certain types of cups and shackles intended for use on human beings and ensuring that articles capable of being used in connection with weapons of mass destruction, and which are in transit, are caught by the divisions of the 1994 order.

In addition, the 1994 order is being amended so as to ensure that export licences issued by the Secretary of State are recognised and treated as if issued by the Treasury. The Island is obliged to maintain its export control law in line with that of the United Kingdom under the terms of the Customs and Excise Agreement. There are minimal resource implications.

Mr Waft: I beg to second, Mr President.

The President: The motion, hon. members, is that printed at 18 on the order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Companies (Private Placements) (Prospectus Exemptions) Regulations 2000 — Approved

The President: Item 19. I again call on the Treasury minister.

Mr Corkill: Mr President, I beg to move:

That the Companies (Private Placements) (Prospectus Exemptions) Regulations 2000 be approved.

Under section 324 (a) of the Companies Act 1931, the Treasury has the power, by regulations, to make provision for exemptions from the prospectus requirements of the Companies Act of 1931. Section 324 (a) was introduced as an amendment made under the Companies Act 1992 in recognition that a full review of the Island's Companies Acts and, in particular, of the prospectus provisions, which in some respects no longer meet the needs of modern business, would not take place in the immediate foreseeable future.

The effect of the measure is to bring in to line private placements with the precedents set in the UK's Public Office of Securities Regulations 1995. Private placements are defined as offers of shares or debentures to persons whose business as principal or agent is to acquire, manage, hold or dispose of shares or debentures. I refer to a restricted circle of persons who have sufficient knowledge to understand the risks involved in accepting the offer, or a restricted circle of no more than 50 persons.

Currently, almost all offers of shares or debentures to the public require the issue and registration of a prospectus complying with the onerous requirements of the Isle of Man Companies Acts, notwithstanding that, for example, the shares or debentures are being placed within an investment house or being made to a restricted circle of knowledgeable persons. This does place a considerable cost and administrative burden on the company wishing to raise capital and makes the Isle of Man public company unattractive as a vehicle for modern businesses such as e-commerce, where funding of the business needs to be raised in stages. For this reason, the private sector has been turning away quality business for companies incorporated in the Isle of Man.

Mr Waft: I beg to second.

The President: The motion, hon. members, is printed at 19 on the order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Teachers' Superannuation Order 2000 — Approved

The President: Item 20, Minister for Education.

Mr Rodan: Mr President, I beg to move:

That the Teachers Superannuation Order 2000 be approved.

This order, which is made under the Superannuation Act 1984, seeks to apply the provision of the United Kingdom teachers' pensions regulations made from 1997 to date, modified in their application to the Isle of Man. The Isle of Man has a reciprocal agreement with the United Kingdom for teachers' superannuation, whereby teachers transferring between the respective jurisdictions can move between schemes with the ability to transfer accrued service from their existing to their new scheme.

The department generally follows changes to the UK regulations so as not to disadvantage teachers in the Isle of Man. Changes to the regulations since 1997 have been applied administratively. The order seeks to formalise and give legislative authority to that administrative action.

The President: Hon. member for Douglas North.

Mr Henderson: I beg to second, sir.

The President: Hon. members, the motion is that printed at 20 on the order paper, Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Now hon. members, I think it is an appropriate time at which we could withdraw for a few moments. Court will adjourn for tea and will resume at 4.45 p.m.

The Court adjourned at 4.22 p.m.

Social Security Legislation (Application) (No. 19) Order 2000 — Approved

The President: We have reached 21 on the order paper and I call upon the Minister for Health and Social Security to move.

Mrs Christian: Mr President, I beg to move:

That the Social Security Legislation (Application) (No. 19) Order 2000 be approved.

This order applies to the Island United Kingdom legislation relating to changes in national insurance contribution liabilities as from last April. Hon. members will be aware that each year the United Kingdom Treasury obtains approval for changes in contribution rates by means of an order submitted to Parliament. The relevant parts of the order are then applied to the Island by means of an application order.

The standing authority given to my department by this hon. Court in October 1993 enabled the department to arrange for the changes to be implemented administratively from last April and to submit the appropriate legislation for approval at a later date. The appropriate legislation is now contained in the first three items of this order. In obtaining approval to the 1993 resolution, the department undertook to provide hon. members with a full briefing about the changes in benefit rates in March of each year.

A copy of the memorandum which was issued to hon. members last March to provide the necessary briefing has been reissued to hon. members together with the memorandum about the orders for consideration today. The remaining two items make further changes, details of which are contained within the memorandum.

The President: Hon. member for Rushen.

Mr Rimington: I beg to second and reserve my remarks.

The President: The motion, hon. members, is printed at 21 on the order paper, Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Social Security Legislation (Application) (No. 20) Order 2000 — Approved

The President: Item 22, Mrs Christian.

Mrs Christian: Mr President, I beg to move:

That the Social Security Legislation (Application) (No.20) Order 2000 be approved.

This order applies to the Island UK legislation relating to changes in the maternity allowance provisions. The changes are consequential upon the application of the Welfare Reform and Pensions Act of 1999 and extend entitlement to the allowance to women who presently do not qualify for it. Full details of the change are contained in the memorandum which we have circulated to hon. members.

Mr Rimington: I beg to second sir, and reserve my remarks.

The President: The motion, hon. members, is printed at 22 on the order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Social Security Legislation (Application) (No. 21) Order 2000 — Approved

The President: We turn then to 23, hon. minister for Health and Social Security.

Mrs Christian: Mr President, I beg to move:

That the Social Security Legislation (Application)(No. 21) Order 2000 be approved.

This order applies to the Island UK legislation which makes a number of miscellaneous amendments to jobseekers allowance, the general benefit regulations and industrial injuries. The amendments provide, among other things, for increases in therapeutic earnings limits, weekly earnings to be disregarded and for treating persons who have recently left the care of the department to be treated as persons in hardship for benefit purposes. Full details of these changes have been circulated to hon. members.

The President: Hon. member for Rushen.

Mr Rimington: I beg to second sir, and reserve my remarks.

The President: Hon. members, the motion is printed at 23 on the order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Notaries Regulations 2000 — Approved

The President: Item 24, Attorney-General to move.

The Attorney-General: Mr President, I beg to move:

That the Notaries Regulations 2000 be approved.

Thank you, Mr President. Mr President, part 5 of the Advocates Act 1995 provides that a person who acts as a notary publicly, except under and in accordance with licence issued by the First Deemster, shall be guilty of an offence. The deemster must be satisfied that an applicant for a licence is a fit and proper person and has made application in accordance with and has complied with conditions prescribed by regulations.

The Notaries Regulations 2000 have been made by the deemsters for the purpose of section 29 of the Advocates Act 1995 and require to be approved by this hon. Court in order that they may come into operation on 1st January 2001.

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

The President: The motion, hon. members, is that printed at 24 on the order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

High Court (Costs) Rules 2000 — Approved

The President: Item 25, Mr Attorney.

The Attorney-General: Mr President, I beg to move:

That the High Court (Costs) Rules 2000 be approved.

Section 25 of the High Court Act 1991 enables the deemster to make rules of court for the purpose of regulating and prescribing the practice and procedure to be followed in the High Court. The High Court (Costs) Rules 2000 have been made by their honours to take into account changes introduced by the Advocates Act 1995 and in order to modernise the practise and procedures for the assessment of advocates' bills of costs. Section 19 of the Advocates Act 1995 is concerned with the general principles that govern the fees which are payable to an advocate by his client.

Leaving aside the assessment of costs in legal aid cases, the fees charged by the advocate for professional services shall be such as may be agreed between the client and the advocate. The advocate must provide his client with a written estimate of fees likely to be payable by the client unless the client expressly waives his right to the estimate, there is a need to provide immediate advice or assistance, or the circumstances otherwise make it impracticable to provide an estimate, in which case the advocate must provide a written estimate immediately it becomes practicable. The advocate must also provide his client with written details of the fees which are payable.

As the title of these rules implies, they are concerned with the fees charged by an advocate to his client in relation to court proceedings and the general principles to which I have just referred will apply. They are also concerned with the recovery of costs by a party to proceedings in the high court where he is entitled to recover costs from another party in the proceedings.

Section 20 of the Advocates Act 1995 also sets out general principles as to the assessment of fees and provides that the fees charged by an advocate for court proceedings shall be those which are agreed in writing with his client, or if no such agreement is made, the costs must not exceed those which are prescribed by these rules. These rules provide a modern system of assessing advocates' fees and will also protect parties in civil proceedings from excessive charging by their advocates. They also provide a measure of protection for the paying party and for the person in whose favour payment will be made where the court makes an order that one party to the proceedings should pay the costs of another party.

Mr Waft: I beg to second, Mr President.

The President: Hon. member for Onchan, Mr Cannell.

Mr Cannell: Thank you, Mr President. Perhaps I could ask the learned Attorney-General, does this replace or retain the former system where, if there was any dispute about the costs, there could be independent taxation of them?

The President: Mr Attorney-General.

The Attorney-General: Mr President, the rules modernise the system. There will still be the facility to have an advocate's costs independently assessed, or, as it used to be called, 'taxed', by the Chief Registrar. If the advocate disagrees with the Chief Registrar's assessment, he can go to the deemster.

The President: Hon. members, the motion before us is that printed at 25, that the High Court (Costs) Rules 2000 be approved. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Criminal Jurisdiction (Assessment of Costs) Rules 2000 — Approved

The President: Item 26, again the Attorney-General to move.

The Attorney-General: Thank you, Mr President. I beg to move:

That the Criminal Jurisdiction (Assessment of Costs) Rules 2000 [SD No 673/00] be approved.

Section 57 of the Criminal Jurisdiction Act 1993 enables the deemsters to make rules of court in relation to Courts of General Gaol Delivery. The effect of these rules is to provide that in assessing an advocate's costs in proceedings before the Court of General Gaol Delivery, the Chief Registrar must apply the rules of the High Court; namely those which this hon. Court has approved under item 25 in relation to civil proceedings.

Mr Waft: I beg to second, Mr President.

The President: The motion, hon. members, is printed at 26 on the order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it.

Fishing Vessels (Support) (Amendment) Scheme 2000 — Approved

The President: We turn then to 27 and I call on the Minister for Agriculture, Fisheries and Forestry to move.

Mr Downie: Thank you, Mr President. I beg to move:

That the Fishing Vessels (Support) (Amendment) Scheme 2000 [GC No 45/00] be approved.

My department has maintained, following the will of this hon. Court, a support scheme for our fishing industry for almost 20 years. There have been minor amendments to it from time to time, but generally it stands pretty much as it was first envisaged.

To qualify for the scheme, vessels have to be owned and registered in the Island. Fifty per cent of the crew have to be Manx residents and, to be eligible for support, catches have to be landed into the Island.

The scheme provides an incentive for Manx crew members to be employed in our fleet and for landings to be provided to the Island for our processors and fresh fish sellers. This in turn has a knock-on effect to the economy, with all the ancillary services that the catching, processing and handling sectors of the fishing industry require.

I am sure hon. members of this Court would, like me, like to see the Island take full advantage of this national resource from our own waters by realising the value added potential of what we produce. However, we are not in that happy position at the moment. When the Island processors and fish sellers have had an opportunity of buying enough for their own requirements, some product is left over.

In order to find a market for this top quality product which is surplus to what the Island's own industry can handle, fishermen and their agents have to look to markets elsewhere. This amendment to the scheme will mean that the level of support will be based in every case on the value of the fish on the first occasion when it is sold. Very often, that will be on the Island to a local processor. However, at other times catches which have been made to the Island will subsequently have to be dispatched to a market elsewhere. When that happens, the fishermen will be eligible for support based on the first full hand value of the catches as sold on that market, rather than on a net value based on the market price after various costs have been deducted.

The fishermen will not be penalised when, through no fault of their own, there is no ready market outlet for these catches within the Island and, again through no intention or desire of their own, those catches have to be placed on a market elsewhere.

The President: Hon. member for Douglas North.

Mr Henderson: I beg to second, sir, and reserve my remarks.

The President: The motion, hon. members, is that printed at 27 on the order paper. Those in favour please say aye; against, no. The ayes have it. The ayes have it

OECD : Harmful Tax Competition — Council of Ministers Report Received

The President: We will turn then to 28. I call on the Chief Minister to move.

Mr Gelling: Thank you, Mr President. I beg to move:

That the Council of Ministers' Report on the Organisation for Economic Co-operation and Development: Harmful Tax Competition be received and the recommendation contained therein be approved.

I would like to suggest that hon. members treat the motion before the Court at item number 28 on the order paper in the same way as they treat the annual motion which relates to the October policy document. In other words, I would like hon. members to view this report as setting out a general direction and to view the motion as a general endorsement of that direction, but to understand that there is no commitment to particular specifics.

Specific measures which flow from this report as they become agreed internationally will come forward individually for consideration over the next five years and will be subject to individual parliamentary scrutiny. In other words, we are not seeking some carte blanche authority to go away and agree things with the OECD which may have important implications for the Isle of Man economy without further reference back to this Tynwald Court.

What we are seeking is the backing of Tynwald to us making a commitment which will allow us to continue our negotiations with the OECD on these important issues. The report which is the subject of the motion divides into six chapters and explains the background and the process undertaken by the OECD. It also explains the Isle of Man Government's position thoroughly, so I do not believe that it is necessary for me to go into too much detail at this time. There are, however, a number of general points which need to be put on the record and a small number of key issues on which we should concentrate.

As regards the background, it is worth first of all taking note of chapter 2. I am not sure that we have put down before this particular time in quite this way what we see as our approach to the financial services industry. We explain in chapter 2 the importance of the industry and set out the factors which are helpful to it. We explain also our commitment to good relations and reputable business, and spell out in paragraph 2.12 our own agenda for what a financial centre ought to demonstrate in the 21st century.

But of particular relevance to the OECD initiative within chapter 2 are the three principles in paragraph 2.9. These principles have been central to our response to the OECD to date and will continue to guide our work. They may be summarised as follows. First, the Island intends to defend its right to determine its own tax arrangements; secondly, the Island is determined to defend and promote its economic interests; and, thirdly, the Isle of Man is committed to being a reputable jurisdiction which complies with international standards and norms. I think our determination to move forward on the basis of these principles is well understood.

Chapter 3 recites the history of our dealings with the OECD in this matter. It is very much a potted history, but is sufficient I think to give a clear picture. First, that the OECD report and subsequent processes have not been without flaws, and nor have these processes been consistent; secondly, the Isle of Man Government has co-operated fully with the OECD throughout; and, thirdly, that it is very much in the Island's interest to ensure that the Isle of Man is not on the blacklist of non co-operating tax havens to be produced in July next year.

We have the right, I think, to feel somewhat aggrieved at our treatment, but we have to accept the real world with all its impurities and continue to work for the good of our Island. It will not do us any good to walk away in self-righteous indignation from what has happened in relation to this matter to date.

This report is not our first response to OECD. In June, we announced proposals for a new tax strategy and Tynwald approved that strategy in October. Whilst the work involved in producing that

strategy began several years ago, before the OECD report was published, it has been informed by OECD developments, and a number of elements in the strategy are compatible with OECD objectives.

Chapter 4 discusses the strategy and identifies where changes made will assist our response to the OECD.

Chapter 5, or rather chapter 5 read alongside appendix 3, represents the core of the report. It discusses the proposed schedule of commitments set out in appendix 3. Some of the commitments are in the tax strategy and are therefore already known, while others are additional. The additional ones are, by definition, issues which we would not on our own initiative be pursuing at this time, but our message is that if these are changes which are going to embrace or be embraced by the international community on a level playing field basis as new international standards, then we are prepared in principle to adopt them and that really is the key to the whole issue.

The OECD moves can be interpreted as an attempt to establish a new set of standards about what is acceptable internationally in relation to tax practices and to exchange of information for tax purposes. If new standards are agreed, we will, in accordance with the principles that we have set down for ourselves and with our normal practice, respond positively to those changes.

I will not go into detail on each of the proposed commitments. Each is discussed in chapter 5 and hon. members will be able to identify what is already proposed and what is new. I will, however, pick out two issues which cause the most concern.

Hon. members will have noted from the report that there has been consultation on the proposed commitments with the private sector through the Treasury consultative committees. I think I can best categorise the response of the private sector as wary but supportive. Certainly, there is unanimity that the Island should seek to avoid blacklisting and no alternative options to pressing ahead with the proposed commitments have been proposed, but there is concern about what they will mean in practice.

There are two issues in particular which have raised concerns. First, there is exchange of information. In terms of international co-operation and pursuit of crime, we are competitive and provide information very readily in response to legitimate enquiries concerned with criminal matters. Where the proposed commitments venture into new territory is in relation to civil matters. What is meant by that is the pursuit of a taxpayer for tax money due as a civil debt by his home tax authority. Historically, this has not been an area where international co-operation has been forthcoming from the Isle of Man or other jurisdictions. The OECD is seeking to change that and to facilitate co-operation on civil tax matters.

This is, I would suggest, a less contentious issue with our finance sector than it was two or three years ago. It would appear that attitudes are changing and private industry both here and elsewhere is becoming more relaxed about the concept. Nevertheless, there are concerns, which centre upon the Island not being put in a disadvantageous position economically compared to other more reticent jurisdictions.

Apart from the general safeguards and conditions which we are attaching to our co-operation, which I shall come to shortly, hon. members should note that in relation to exchange of information the proposal is information on request, not exchange of information automatically or spontaneously. The exact details and the safeguards to be put in place are to be the subject of detailed negotiations. We are not, therefore, contemplating a flow of routine information leaving this Island and we are not contemplating allowing fishing expeditions or facilitating the information given to one jurisdiction being passed on to another.

Thus, whilst we cannot be specific about what is meant in practice by exchanging information on defined civil tax matters, endorsing our proposed commitment on the subject does not require us to embrace a specific and detrimental proposal.

Hon. members, the second main issue of concern is the future of exempt companies. They are an extremely important component of the finance sector's business and the immediate removal of exempt companies without putting some alternative back in its place would have serious consequences, so we are giving serious attention to this particular matter. A number of important exempt companies, such as insurance companies and ship management companies, can be identified and accommodated on a zero rate of tax within the mainstream tax regime. We will be looking closely to see if we can identify other categories of exempt company which could be identified and dealt with in the same way. We have also established a joint private sector/public sector working party to look at alternative corporate vehicles which might be used as an alternative to exempt companies.

It may be that we and our competitors will not be able to find alternatives for all exempt companies and some may at the end have to be phased out. Where that is the case, there will be a period of not less than five years before it happens, and, importantly, our competitors will be required to do likewise.

So we need to be clear that there are some open questions here about the final outcome, particularly on the two sensitive issues of exchange of information and exempt companies. However, there is no greater clarity to be had on both issues that will be subject of further international discussion before resolutions are found. What we have done is keep our options open, set down the conditions which will have to be met for us to reach agreement and published as fully as we can what our stance is so that the industry can have as much certainty as possible about the situation.

I referred a few moments ago to the safeguards and conditions that we were attaching to our proposed commitment and it is important that hon. members should be clear about these. They are that if we make these commitments, the Isle of Man is not included on the OECD list of unco-operative tax havens in July 2001. The commitments must allow the full participation of the Isle of Man Government in the further and on-going OECD discussions on the detailed implementation of the international commitments. Within any further negotiations, the interests of the Island's economy and its autonomy in tax matters will be paramount in the minds of those representing the Isle of Man Government.

As indicated at the outset, the detailed implementation of specific commitments will be subject to Tynwald approval on an on-going basis, as individual legislation and policy proposals are advanced.

Members will have noticed that I left out bullet points 2 and 3 because it is subject to an amendment to which I cannot speak at this time, but I think that will become clear as members realise that since the report was put together we have submitted the letter to the OECD, which has asked for some alterations to the wording. To me, that is encouraging because it means it has accepted our letter with a caveat as part of our submission.

Before putting together the report, the Council of Ministers satisfied itself that the terms of the proposed schedule of commitments would be acceptable to the OECD. As I have already suggested, the terms of the covering letter were not the subject of discussion with the OECD because the terms of the letter were determined by the Council of Ministers at a later stage. As such, the prior consultation with the OECD on the letter was therefore not possible.

We have since conferred with the OECD. As I have already said, I suggested a change to the letter on bullet points 2 and 3 and their replacement with an amalgamated form of words. The purpose

of this is clarification. Amalgamating the two points into the form of words suggested by the OECD clarifies this particular point and the revised bullet points will come on an amendment from the hon. Minister of the Treasury. I do not see that this changes the sense of what we are proposing; it avoids any ambiguity and it is a perfectly acceptable alternative.

That is the only change to the letter, and it is therefore proposed to write in the amended terms rather than in the terms set out in appendix 3. I might add again that it is reassuring that the OECD has confirmed that the letter does not create any difficulties and that it understands exactly where we are coming from.

So the proposal is this: that Tynwald approve of the Council of Ministers giving to the OECD the commitments set out in appendix 3 to the report. Those commitments would be conditional on the safeguards and conditions which I have just listed. In return for those commitments, we would be excluded from the OECD blacklist next July and we would be enabled to join the discussions being led by the OECD and help to influence the final form of whatever international agreement emerges.

I think that that is an extremely important point. The approval of the commitment by the Isle of Man to continue the dialogue and the negotiations will allow the Isle of Man to have influence in that forum. We will not be standing back waiting for others to put down the markers to which those who end up on the blacklist will then have to achieve, without having had any input into those discussions. Therefore, the only alternative would be to discontinue our involvement in the negotiation process and accept blacklisting next year. I cannot think that anyone would advocate that particular course of action.

So, Mr President, I put before you the motion on today's agenda at 28. It is an extremely important motion at an extremely important time for the Island, as we move forward with our economic development. I repeat for hon. members that we are concerned about exempt companies and about the criminal and civil position, but the point is that, no matter what other jurisdiction might at this time have an advantage such as that which has been quoted and have a 21-year legal licence to their exempt companies, and no matter whether that could very well be the position now, our legal position is not like that. Ours have an unlimited life. I would suggest to hon. members that when we come to the time when finally the negotiations are finished and exempt companies are the issue, whatever we have to do everybody else does and if they do not do it we do not do it.

I think that that is the simplest way to put it, because the effect on our economy would be such that we would then have to take a decision. If not doing away with exempt companies was the decision of this Court, we would have to probably accept that we would go on the blacklist, but that would be for another day. This is purely and simply to allow us to continue our negotiations and our dialogue so that we can get ourselves around the table in the OECD and make our influence felt. I beg to move.

The President: Hon. member for Garff.

Mr Rodan: I rise to second, Mr President, and reserve my remarks.

The President: Hon. member for Onchan, Mr Corkill.

Mr Corkill: Thank you, Mr President. As the Chief Minister said there is an amendment. It is in my name and is quite simple in its effect. On the supplementary order paper that was put to this Court earlier today, there is the new appendix 3, which reduces the bullet points from 6 to 5, because the second and third bullet points have been deleted from the original report - or that is the intention of this amendment - and replaced with a new one.

My belief is that the new bullet point effectively strengthens the situation because the OECD Fiscal Affairs Committee has expressed to us the desire that, in the event of them having to make defensive measures, they wish to apply those to OECD members equally to jurisdictions such as

ourselves. In fact, it does in some way improve the level playing field argument by putting those two bullet points into one.

I also believe - and I think it needs to be emphasised to external observers - that this hon. Court, the world's oldest continuous parliament, is well able to demonstrate its maturity when dealing with issues of international significance that affect our Island and also have a global significance. We have not invited the OECD interest, but that interest is there and I believe that the Government of the Isle of Man has acted in good faith and in co-operation.

My parliamentary instincts say to me that if today's report is found to be acceptable, then it is up to the other members of the OECD. We must bear in mind - for certain purposes, we are OECD members ourselves - that they also have to act in good faith and to start their processes of reform. They will need to act quickly in order to keep to their 2003 timetable. I mention this because it is important because any slippage would impact upon our 2005 timetable, as proposed in the report before us.

The bullet points on page 2 of the report are simple, vitally important and non-negotiable as far as I am concerned. Autonomy on taxation, for example, is something we heard a great deal of just last week, regarding the United Kingdom's stance within the EU. If it is important to the United Kingdom, do not the very same arguments apply to the Isle of Man? (**Members:** Hear, hear.) Perhaps we can agree with the United Kingdom's stance. But hon. members, the past two and a half years contact with the OECD Fiscal Affairs Committee process has been an opportunity to explain the validity of the Isle of Man as a jurisdiction that is just as valid as dozens of countries, some of which are full-blown OECD members. In particular, Switzerland and Luxembourg come to mind. But then of course there are other jurisdictions such as Singapore, Dubai and Hong Kong, which, for pragmatic reasons, were not included at the outset. I am encouraged that the OECD Committee does have an outreach programme and that it intends to look further afield in due course.

This validity, as I have mentioned, I am confident has been explained to the OECD. But remember, hon. members, we are not dealing with a fair process. The concepts in the original harmful tax competition report were, I believe, flawed. Certainly, as the Chief Minister has mentioned, the goalposts have been moved on several occasions. But, despite all of that, there is a genuine move to create a new world order for 21st century economies and the way in which they trade with each other. I believe we have to be part of that new order and not risk the blacklisting.

The Isle of Man is a modern, well regulated and dynamic jurisdiction and the taxation strategy approved by this Court only in October is a statement of competitive intent which does not contradict OECD principles on harmful tax practices. However, today's report does suggest certain changes, which perhaps on the face of it might appear to carry risks to our economy. But there are those caveats, as the Chief Minister has put forward, which clearly state that the Island will not change in isolation or in advance of others. I think that this needs emphasising. We hear much of level playing fields, but this one is very important. It will need, I believe, all of our scrutiny to ensure that we receive fair treatment and that others enact their commitments.

In recent weeks, the Chief Minister has mentioned consultation, and there has been consultation with a number of professional bodies within our financial services industries. I will not pretend that that has been easy for anybody. It has not. It has been very difficult at times, particularly with the time frame available. However, I hope that the financial services industry appreciates the openness and the transparency of the consultation, which I believe has been much more up front than in certain other jurisdictions.

The difficult issues have led to some differences of opinion - that is what consultation delivers. But one issue has been clearly agreed from the outset and that is that the Island must not be on the July

2001 blacklist. **(A Member: Hear, hear.)** Despite one or two hiccups during the consultation, it will always remain my view that this honest, open consultative process is the best way for proper relationships between government and industry. I would like to thank all of those busy private sector people who have contributed and continue to contribute to this process.

Appendix 3 is our message to the OECD. It is not a pre-written statement or memorandum of understanding prepared by the OECD. It is our international commitment, which others will have to match, and of which every component is subject to Tynwald's approval. It is our own deal struck by our officers and one which I have confidence in. In the event that other jurisdictions may follow our lead, but achieve a better deal, then quite simply the lowest common denominator principle applies to us. So there is that safety net.

The Chief Minister mentioned exchange of information. It is a sensitive matter but by no means as much as it was a few years ago. We never have had banking secrecy to the extent that some other countries do. The Chief Minister said that fishing expeditions cannot be tolerated. They are not tolerated by most states.

Parts of our financial services industry - the life assurance industry comes to mind have actually embraced exchange of information requirements for some time now. They have been obligated to impart more information exchange, particularly with the United Kingdom, and have increased their business substantially over that period. Premiums for life insurance through this Island have actually increased by over 20 per cent in the last 12 months. So there is life after exchange of information and I do believe that that issue has moved on considerably.

The chief Minister also mentioned exempt companies. That working party exists and the debate is on-going about other jurisdictions that have 21 or 25 year run offs of contracts over their exempt company situation. The issue does need resolving, but I am confident that there are a number of solutions. There may not be a single solution, but a number of solutions, to the exempt company situation.

I hope that the message today actually imparts confidence to our financial services industry. They shall know exactly where we are going with our strategy and our policy. The report should instil confidence where perhaps there is some uncertainty. We read week after week about the OECD debate in the newspapers. That tends to put clients on edge, so we need to get certainty back.

Hon. members, I would suggest that we get ourselves off this list. I think we need to get to the OECD table. We cannot deal with these important issues at arm's length. We need to influence the process and be part of it. By being there we can monitor closely the efforts of other jurisdictions and learn from them, because we do not have all the answers. I ask hon. members to support my amendment and this report in the best interests of the Isle of Man, Mr President:

After "Competition" insert "(as adjusted by the amended covering letter in Appendix 3)"

The President: Hon. member for Middle.

Mr North: I beg to second, Mr President. This is, since I was elected to the House of Keys, the most important motion that has come before this hon. Court. There is no doubt in my mind, from what I know of other jurisdictions and the legislation that they pay lip service to, that the Isle of Man is the best regulated jurisdiction, not just offshore, but including any onshore jurisdictions. Those members of the OECD, the big boys, should be well aware of that. I am sure that, after the negotiations that have taken place over the last two and a half years, the OECD must have started to realise that we are not what they thought we were when we first started. For a lot of that, as the Treasury Minister has said, we should congratulate our team of officers **(A Member: Hear, hear.)** who have done the negotiating. Any

jurisdiction would have been proud to have had them at their behest (**Members:** Hear, hear.) doing the job that they have done for us. And I do not think we know the half of it.

I believe that our policy of discussion and talking to the OECD is far, far better than having a confrontation with the authorities, or trying to play out some scenario that makes some jurisdictions think that they have some clout when they do not. It is much, much better to play the game as we have done, by talking and discussing with people.

It has not been a level playing field, as the Chief Minister said - far from it. You only have to look at what has been going on to realise that the big boys have been having a go at the little boys all over the world. I use the word 'boys' in inverted commas. The commitment that is to be fulfilled by all those who are involved means that Switzerland will have to give up its banking secrecy laws and do away with bearer shares. Can you see that happening? Think of all the Greek nationals who live in London and all the nationals from the Middle East who pay tax only on their earnings in the United Kingdom. That could not happen in the Isle of Man, because, at present, we tax on world earnings. Is that a level playing field? All those ladies and gentlemen from the Middle East and from Greece living in London are going to have to be taxed the same way as they would be in the Isle of Man.

The other big player in this action is the United States of America and the LLCs of Delaware and Wyoming. A lot of companies have moved from some jurisdictions to America. This commitment is to follow through on all the negotiations. I totally agree that we have to be at the table, but at the end of it all they all have to commit that they will do away with whatever they have in terms of restrictive practices as the OECD sees it. Our exempt companies, will represent the main problem. Would we sign and agree to anything in this Court unless America agreed to do away with the Delaware or the Wyoming-style companies? There are two or three states in America that have those. In my opinion, we should not - and that will be the negotiating side.

Some things will be kept and some things will not, but to take part in this we have to be, as the Chief Minister has said, at the negotiating table. I think that the Isle of Man will be able to sit round that table proudly and take part. The officers taking part in those discussions will, I think, be able to show a knowledge that is way in excess of many, many other jurisdictions. So in that respect I do not have a problem. We will be a small minnow swimming with the whales but we will be able to make sure that we can perform well round that table.

The other item is of course the time scale. I will be amazed if that time scale is actually adhered to within five to 10 years. The financial services market worldwide will change quite dramatically and we will need, certainly within the next few years, to make sure that the perception of the Isle of Man improved in the world, and particularly in Europe. The perception of the Isle of Man is not good because in the 10 or 20 years just gone by we have not done enough to go out into the world and explain the Isle of Man. Once we do, as has been demonstrated by the discussions with the OECD, the perception changes. But unfortunately, as we all know, perception is reality and the reality is that people do not understand just how well regulated the Isle of Man is.

We have a lot more work to do on that front and I think that we are only just at the beginning of it. Treasury and Sir Miles have been doing a sterling job on that area for the last two to three years. He has put a lot of work in (**A Member:** Hear, hear.) but a lot more people within this Court have to put in a lot more work in the next few years to ensure that the Isle of Man is understood. That perception of what they think we are must be dispelled with facts about what we are really and how good we are.

I support this, I understand fully the nervous atmosphere within some areas of the finance sector. But, as the Chief Minister has said, the number one priority is to be off that blacklist - and I think that was unanimous. We need to show that we are committed to this. I have every confidence in those who will be doing the negotiations on our behalf.

Members: Hear, hear.

The President: Hon. member, Mr Braidwood.

Mr Braidwood: Thank you, Mr President. I think from the outset it is imperative to emphasise that this harmful tax competition is only on business taxation and not on personal taxation.

It has been a long and tortuous path since this forum was announced in 1998. I, too, offer my congratulations to the negotiating team, particularly the Chief Secretary, Chief Financial Officer and Assessor of Income Tax. The goal posts have changed on the way.

We talked about, strategic planning this morning. With this report, we are being realistic. There is talk that we have capitulated to the OECD. No such thing. I would rather be on the inside looking out than the outside looking in. We do not want to be on this blacklist at all. It would have dire consequences for the Isle of Man.

Initially, there were 47 jurisdictions. Criteria: tax haven, small. Six were excluded because they did not meet the tax haven criteria. Six were excluded because they committed themselves to level one advance commitment. The Isle of Man did not last year because there were too many specific commitments, but since June of this year we have been negotiating. The OECD has become more conciliatory. I believe that this report will go a long way towards taking the Isle of Man to a seat at the negotiating table. We are not signing a memorandum of understanding which has been put out by the OECD for other jurisdictions to sign up to. We have negotiated our commitment, which makes a big difference.

It has also been mentioned already that the member states of the OECD have to implement this by April 2003. The Isle of Man commitment is to roll back the problems we have with the OECD by December 2005. No doubt there will be slippage, as the hon. member for Middle has said. He cannot see the member states in the next three years rolling back their competition problems. We have until December 2005, but slippage will occur. If the criteria are changed, our parameters will change. As the Treasury minister said, the lowest common denominator will prevail.

We have to support this, or we will be off the list, it could be announced in the papers tomorrow or the next day that the Isle of Man is off the blacklist. I hope that that will benefit the Isle of Man greatly and show to the world that we have a great financial regulatory regime.

The President: Hon. member for Council, Mr Crowe.

Mr Crowe: Thank you, Mr President. As the Chief Minister has advised us today, the negotiations with the OECD have reached the stage at which, quite rightly, the Council of Ministers are asking Tynwald for an endorsement of the commitments which the Island needs to give in order to be removed from the blacklist.

I was interested in hearing at the briefing session last week, for which I thank the Chief Minister, of the OECD's memorandum of understanding which has been sent to all of the 35 finance centres on the provisional list of tax havens. The memorandum of understanding is freely available on the internet from where I obtained a copy. Other members have mentioned the memorandum of understanding but I ask the Chief Minister, in his summing up, if he would let us have his view on it as far as it relates to the Isle of Man. Is he still of the opinion that it is better to go with a specific commitment tailored to the Isle of Man situation or to opt to the more general commitments in the OECD's memorandum of understanding? If the offer is available on the table until June 2001, are there any benefits in holding back?

Hon. members know that endorsing this report today is a major issue. The Island is making major commitments on various matters including exchange of information, transparency and ring-fencing. I

accept that the commitments are conditional, it is conditional upon others playing the game and caveats are built into the proposals, but it will have an effect on corporate business and I am pleased that there have been extensive consultations with the private sector.

Government and the private sector collectively are in effect moving into uncharted waters. The game plan, it seems to me, is that all of the 35 small countries on the list will work collectively with the 29 member countries of the OECD to create a level playing field for business. The theory is, that no one country will be disadvantaged against any other country by making the type of commitments we are being asked to make today. It seems clear that all of the negotiations for the future conduct of international business still have to take place and signing up for the commitments today will principally allow us to participate at the negotiating table with other finance centres and with OECD members. The OECD member countries as well as the 35 finance centres will all have to move forward together and all play on this supposed level playing field.

As the Chief Minister has mentioned - and as the amendment has been moved by the Treasury minister can the Chief Minister, again, say whether Hong Kong and Singapore are now included or excluded within the terms of redrafting of the commitments we are making?

We should not, however, underestimate the level of the commitments we are being asked to agree to and which are clearly spelt out in section 5. I draw hon. members' and the Councils attention to the Committee on Economic Initiative's report on double taxation agreements and multilateral agreements, which we moved last month. I hope that they will bring the exchange of information into the double tax treaty or a multilateral agreement that was in the report.

Another item we talked about was transparency, which covers beneficial ownership. This again is a major commitment, to divulge the beneficial ownerships of all companies and trusts, et cetera.

The third thing in the commitments is the no-substantial activities ruling, which will cover issues such as ring-fencing. The Treasury minister has commented on that. But there are other issues such as non-resident company duty and the international company using designer tax rates.

It is very likely that the commitments being made will have an effect on business generally and details of all of the concerns which may affect the Island are discussed in paragraph 5.22 of this report. As we all know, and others have mentioned, there is particular concern in the private sector about exempt companies and the question mark placed against their future by the proposed commitments. Having accepted that exempt insurance companies and ship management companies can be accommodated in the zero tax regime it will leave exempt companies who will not fall clearly into any category whatsoever and may have to be phased out. A new corporate vehicle will need to be found and brought into being.

The Chief Minister and the Treasury minister have mentioned the Treasury working party, which is considering a substitute or a new company instead of the exempt company. However, in this day and age, long-term business planning is essential and I would request that the Treasury, if at all possible, should commit significant resources all work in conjunction with the private sector to find a replacement for the exempt company. The matter is highlighted in the report, which states that as long as exempt companies exist elsewhere, they will be retained on the Island and, in any case, the legislation will not be repealed before December 2005. That will give some reassurance to the private sector.

In conclusion, giving the commitments and signing the commitment letter is a strategic decision for the Island. On the one hand, the Island comes off the blacklist, which must be good for business. On the other hand, a question mark hangs over exempt companies, a significant part of our corporate business. On balance, I go along with the benefits attached to coming off the blacklist, buying on the

caveats built into our commitment letter and putting reliance on our ability to negotiate with the OECD and other finance centres. One of the real problems we have faced and will continue to face is that the rules change apparently at the whim of the OECD. It is always difficult to play by the rules when the rules keep changing. But I believe it is far better to be negotiating round the OECD table than to be excluded.

The President: Mr Speaker.

The Speaker: Mr President, I am sure that it will come as no surprise to members that this motion is on the order paper. In 15 years, the financial services industry has grown from one of little significance to a player in the first division of international finance services, so the international community takes an interest. Interest is taken by the OECD, the European Union and even by the G7 and other world organisations. It could almost be said that it is a look of jealousy on the success of the Island and its ability to govern itself, and to govern itself well and to have a sound economy.

It is important to the whole of the Island that this economy remains stable. It is important to the well-being of all our citizens that we are able to provide them with the economic lifestyle that we now have. There is no pride in poverty. The people of this Island do not want to return to the so-called good old days. They have acquired a lifestyle to which they have become accustomed and they expect this government to keep them in it.

It is important that we put our complete trust in the ability of the Chief Minister, the Treasury and the officials to negotiate and keep negotiating with the shifting sands of the OECD and other world organisations. As the Chief Minister has said, the goal posts move. To ensure that we maintain the best and that we are not on blacklists, we may have to swim with the tide. But in swimming with the tide, we must look to our own interests and ensure that we are not discriminated against in any way. We will go where the tide is, provided that it is a level playing field, and conform with the rules that are the rules for everybody.

It is on that basis that I believe, in this most important issue, that this evening the House, Tynwald Court, gives a unanimous support to this motion (**A Member:** Hear, hear.) to allow the Chief Minister, the Treasury minister and their team to continue to negotiate in the best interests of the Isle of Man. They must maintain their stance that we uphold the right to our autonomy for taxation, that we have the right to determine what is best for our economy and above all that there is no adverse regulation against us that is not against everybody else. In the hope that this motion will be given a unanimous support, we should also wish well the Chief Minister and the Treasury minister (**A Member:** Hear, hear.) as they go forward in protecting the best interests of the Island's economy and its citizens.

The President: Hon. member for Ayre.

Mr Quine: Thank you, Mr President. The point has already been made, I think, on three occasions about how important this motion is. I am not one to differ with that. I am sure that is absolutely right, but because it is so important we need to ensure that all aspects of it are fully understood. The first point that I would like to raise in this debate is that I would like to have a better understanding of the backdrop on international law in relation to this OECD exercise. I am not saying that you can ignore it, but I would certainly like, before we vote on this motion, a full explanation of how this exercise stacks up in international law.

I think that, outside, people look at this exercise and say that this is manifestly unfair, this is unjust. All well and good. If we were negotiating as equal parties and coming to agreement, that is something that could be understood, but the position we are in with this exercise is that we are being whipped into line firstly by the United Kingdom and, secondly, by virtue of the threats that are being made to us by

the OECD and to other parties as well. Therefore, I would certainly like to have a better understanding for my part of how this whole exercise stands in international law.

It seems to me that the basis of the exercise, if it is subject to international law - I am not sure whether it is or not - has not been challenged. If it has not been challenged is it because none of the parties who are being whipped into line are in a position to challenge it? Be that as it may, I want to understand that situation. I find it very difficult in this day and age, when we have the European Community and all these other blocs, and when we have conventions and all these rights saying that we, as individuals, have to get into line and all these matters. Yet, you can have an exercise of this nature and we seem to have no recourse to judgment on the legitimacy and the fairness of it. There is something that does not ring. A number of OECD members opted out of this exercise. Are they then going to opt in, while excusing themselves somewhere along the exercise when there are benefits on their behalf? When we speak of 'All or nothing' in relation to this exercise, either everybody conforms, or it does not go through and nobody conforms. What is going to happen to these countries that from the outset have opted out? Are they going to be an exception to the rule?

Do we mean all, but minus one, two, three and four, or do we really mean all? In the context of our ability to withdraw from the exercise or to opt out at a later juncture in the exercise, when we say, 'All or nothing,' do we really mean all or nothing? Therefore, perhaps the learned Attorney-General can advise us where this exercise stands in international law? Has it been challenged? Is it challengeable? It certainly is not a fair exercise. There is no way that it is fair. Therefore, I must ask whether it is legitimate. If there is a question over its legitimacy, we need to understand that before we vote on the motion that is before us today. That is really my basic concern about this exercise.

I fully take on board what is in that report. I understand that and I understand the position that we are in. I very readily acknowledge the sterling work that has been done in working up our case to a point where we are in this position. All of that I take on board, but it is in my nature that I do not like being pushed into positions. I do not think we, as an Island nation, would want to be pushed into a position. We need to understand why we have to do all of this, not just because we are going to be blackmailed. In international law, how does this exercise stack up?

Obviously, a very important part of this - I am sure the Chief Minister has played a leading spot, as has the Minister for the Treasury - has been the consultation with the private sector. We have a synopsis of the consultation and, reading between the lines, there are concerns within the private sector. Indeed, the Chief Minister has pointed to some of them. On one matter, I notice that at the time the report was written, we did not have a view expressed by the legal profession in the Island. I am just wondering whether the Chief Minister can tell us whether something has been forthcoming since the report was published.

I have a further point I would like to raise with the Chief Minister. Perhaps he could explain this a little clearer to me. I understand it. We sign up. We sign up to a commitment and we have to move along and achieve certain things within a time-frame and that almost certainly will involve us in the passage of legislation, involve policy changes and approvals et cetera. That, I understand. But what concerns me is how, against that backdrop and requirement, can we roll back a position that we have adopted. I do not see how we can all move forward in step. I rather fear that, by our being in the forefront, we are going to effect legislative changes and be one or two paces ahead of the field, which is a plus - it can be a plus - but in the event that we have half legislation and we have changed our company structure or something, how do we backtrack on all of that? Is it a question of saying, 'We agree to this, but no changes are going to be made until date XYZ'? And everybody else has to work to that date. If that is the position then I think I can understand it.

The final concern that I have has already been voiced and that is I do not think we have seen the full picture. I feel that just as we have been led along so far, with the goal posts being changed, we are going to be led along yet further with other changes of the goal posts. That really must be a matter of concern to us. We say that we have the right to abandon our negotiations et cetera, but that is easily said, not easily done, because of course, it leaves us in a big, black hole.

In relation to this memorandum that we are signing up to, or the letter that we are signing, are we saying that this is the commitment we give on the assumption that this is where the goal posts are, this is where they stay and, if they move, then we start from point A again? I hope that that is the situation, because otherwise we are going to be led along by the nose into yet further concessions and into a weakening of our position.

I recognise the vulnerability of our position. I recognise the importance of our not being put on to this list, or getting ourselves off it. I am sure that we should support this motion today because it is important that we do so. Like others, I would like to think that this hon. Court gives one straight concerted message. Now is our opportunity to put down our markers and make sure that there are no issues which are not out in the open for people to understand before we vote on this motion. Thank you, Mr President.

The President: The Attorney-General.

The Attorney-General: Thank you, Mr President. Hon. members, I think this is certainly an occasion on which I had had prior notice of the question which, of course, is of great importance. Therefore, hon. members, I hope you will forgive me if I can only do my best to answer this important matter. It is important if I perhaps suggest what the OECD is and how it has come about that the Island has been drawn into this process. The OECD, essentially, is a gathering together of states who have made an agreement - a treaty - amongst themselves to promote their own best interests on a commercial front, on the international front.

In my view, if we look at it in that way, it actually tinges our whole approach to OECD and our negotiations with them. It is essentially a commercial operation: people states acting in their own best interests. Now, of course, having said that, the Isle of Man, by definition, cannot be a player. The Island is not a state. Therefore, when we are invited to partake in the negotiations, as we were in spring of last year, we have been invited to partake in a hybrid procedure. We are a non-state being invited to make our case and to join with states in deciding how this question of so-called unfair tax treatment must be dealt with.

Now, the hon. member for Ayre asks for a better understanding of the international law implications. As I see it, there are not any international law implications as such for the Island, given the views that I have expressed. When things go wrong in international law, the states, the parties, the players on the international law front, can make a complaint to the International Court of Justice, and the International Court of Justice will adjudicate disputes between states. That is not an option that is available to the Isle of Man. Nor is it available to Jersey, Guernsey or any other dependency that is not a state and which is not a recognised state on the international front.

We recognised at the very beginning of this exercise that we were unlikely to be afforded the same recognition as states. We have, I think, rather been pushed around in the past by the OECD, but how things have changed as time has gone on. As the hon. Chief Minister said, we have been recognised as an entity that can contribute very well to the OECD process. I think, if I may, it is in recognition of the value that we have imparted to the process that we are now on the threshold of being released from the list of proposed tax havens and that can only be good.

I suggest that it is rather an arid process to ask whether international law has any relevance to this. I do not think it does, but I do not think that is actually the important thing. The important thing is that, in the real politics of this situation, we have been invited to play a part. We have contributed and we have done very, very well. Of course, states like Switzerland can opt out, as they did initially. I suggest that they probably will be whipped in when things start going wrong for them. That again, I suppose, is the other side of the coin. As we have heard, the member countries of the OECD have committed to rolling back their harmful practices within a far briefer timescale than we have. Therefore, we are actually better off than the states are themselves.

As I said, it would take far wiser and more acknowledged experts on international law than me to speak on this topic. I am sure that they would go on for many, many minutes indeed. My purpose was just to give an introduction to the process as I see it. I do not think that we are susceptible to international law, but that has done us no harm whatsoever.

The President: I call on the Chief Minister to reply.

Mr Gelling: Thank you, Mr President. I first thank the Treasury minister, Steve Rodan and David North for the seconding and support that they gave to the motion in its early stages. I shall just take the points that have been raised and it would be more effective to take the last ones first because they were the questions that were raised. I can only confirm basically what our hon. Attorney-General has said about the OECD itself. It does not make decisions. It actually produces reports and recommendations. Now, I would suggest again that, as the hon. Attorney-General has said, OECD states cannot be challenged in law. Even if they could be, in what court could they be challenged?

The hon. Attorney-General made a suggestion, but that legal challenge can only be mounted against an individual country if and when that country takes action against another because of an OECD recommendation. In other words, we are not dealing with a legal document or a legal process. We are dealing with a political intent. The OECD are looking to make a report on the contributions made and the negotiations made by each individual jurisdiction that has negotiated and talked with them, to be able to recommend. That is where we fully wish of course, for them to immediately announce that the Isle of Man has been able to find a middle road whereby they can accept that we will commit to continuing our negotiations to find the level playing field.

I think that we are back now to that position which again was raised by the hon. member for Ayre - 'Well what about the members who opted out?' Well, of course, we are told quite firmly by the OECD that their members, once this is finished, will have no alternative but to opt in. Because they have not opted into the process, that is their choice, but because they are a member, if the OECD says that all OECD members will do this, they will have to opt in.

Members can also see where they are coming from. They are saying within the OECD, 'Ah, yes but we are not going to do anything until you get those other offshore jurisdictions and overseas territories brought into line. You get them to go fully transparent and we might consider it.' However, when we look around the OECD membership, at Luxembourg, Switzerland and some of the other areas like Austria, they have all got pet little areas. I would suggest they are never going to let go. They just will not let it go, so there is an awful lot of mileage in this yet, I can assure hon. members. I think it was suggested that there were five years. It could be 10 years. It could be a lot longer because I think the hard and difficult job for the OECD is now to try to bring all this together and actually find that area that can be accepted by everybody.

It has even been suggested firmly by quite a few pundits in the economy and the OECD that the election result in America could have a great bearing on how far this goes from here, because the state of America has been putting a lot of pressure on Europe to go down certain lines. A change of government in America could certainly change that particular situation as well. Therefore, I want to

emphasise that it is not a legal document. It is not a legal process, therefore it is not a legal thing that you could challenge. Yes, it was unfair and the goal posts did change. I would suggest that, from now on in, they will probably change several times again, but the area that concerns those who have been negotiating with the OECD is that being left outside and allowing others to be doing the negotiating and actually putting in these levels is not a good thing.

To be in there actually putting forward the case for ourselves, to be able to get those levels in a situation that perhaps we can accept is fine, but at the end of the day, if we cannot accept them, all these things have got to come back to this Court.

That is when the decision will be made. If we come back in a few years' time, or whoever might be coming back in a few years' time, and say, 'This is the position with exempt companies' and the Court says, 'Well, I am sorry, but we cannot afford, our economy just cannot afford that', that is when the decision will have to be made. It will not be beyond the OECD then perhaps to have to make a decision also, as the Isle of Man has stopped negotiating, has stopped being co-operative and they go back on the list.

The hon. member for Ayre said, 'Is this right, is this timing right, are we going in a bit early?' We do not have to wait for July for them to put out their list. I am certain that, if we are accepted, we will be negotiating early in the new year. That is the way I see it. That is the way I think it is happening. Then, come July, when they make their list, we will already, hopefully, have had six months of negotiating before that list even comes out. I would suggest that our timing is right, that we did not sign, as a member of Council said, the first draft because it was virtually a full commitment, 'We will do whatever you wish now.' We felt that that was not the right thing to do.

Mr Crowe mentioned the memorandum. It is a very new thing that has just arrived on the scene. When we looked at the memorandum we felt that perhaps, with it being a recent development and more detailed, it was not as good as the commitment that we had ironed out and negotiated. We knew where we were going with a little bit of flexibility at the edges also, but that was not so firm as the memorandum. I personally fully believe that once we are over these negotiations and those members that get off the list are in at the early stages, probably the memorandum will be the thing in respect of which other offshore jurisdictions will be told, 'That is what you have got to sign. That is how you get into this club, and if you do not sign it, you do not get in.' I suggest that we are better off being in there negotiating to get in early, so that we will have some contribution to make.

It was also raised about the private sector. We have not hidden it at all. We are just as concerned about the vehicle of exempt companies. A lot of business goes through this Island to exempt companies. We have discussed this with the private sector. They are content knowing that a working party is already up and running with the private and public sectors together to look for vehicles - I put it in the plural - that will enable them to do this work. It could very well be that the vehicle or vehicles that we find might actually enable other work and more work and more business, as we have found in the past, to come through this Island. But if others are not going to adhere to the discipline of the OECD, we certainly are not going to be in the vanguard. That is really our position.

Mr Braidwood raised the point about only business taxation, a very important point. He also thanked the Chief Secretary, the Chief Financial Officer and the Assessor of Tax, as I do also. I would like to put on record that, of course, then we had the Attorney-General, the Economic Adviser, the political members of Treasury and the staff of my office. That is where a lot of the donkey work and the hard work has gone on, back and forward with these meetings and I thank them for their hard work.

Mr Crowe also raised the point about Hong Kong. This is an area of what they call their outreach programme, so they will have a recommendation and a report for those who are in and they will have an outreach programme for those that are out. I happen to be a little bit more suspicious, thinking Hong

Kong is a pretty big player and Singapore is a pretty big player, and that they are on the outreach programme.

Mr Braidwood: Send our secret weapon in!

Mr Gelling: We might have to send the member for Ayre out there to sort them out. *(Laughter)* They are on the outreach programme. I do not think I can say it often enough that I am referring to a political letter or commitment, not a legal document because that was raised by Mr Crowe.

I am also very thankful of the fact that the chairman of the standing committee of this Court that has been shadowing what we have been doing to get the support of the chairman for me is very gratifying. They have been studying what has been happening and they have supported the situation.

Apart from thanking everybody for the way in which this has been received and appealing to everybody to support it, I would also like to say the media have played the situation very, very straight and very, very square. We need the sound to go out of this Court in as much as we are supportive of the situation and not something the Isle of Man will be going out of exempt companies, so the door is shut and the economy will go. That is not the case and I would hate for that to be something that is plastered over the papers just because we have found a way forward.

I finish by saying, as I said at the very beginning, that the commitments have been hammered out in a process of to-ing and fro-ing with the OECD. The accompanying letter which was changed from the report to this very day virtually that we have another letter is the one that again has been back and forward. It is agreed, so basically what I am saying to you, Mr President, and hon. members informally, if the hon. Court backs what we have here today, is that we will be getting formal notification that the Isle of Man will not be on the blacklist. That will be a truly great thing for the Island because the industry want it, we want it and it will do the Isle of Man no harm at all if we can achieve that. I thank hon. members for their supportive contributions. Go for the amendment because that is the up-to-date last minute letter which would go in place of the letter that is actually in the report.

The President: Hon. members, the motion before us is that printed at 28. To that, we have the amendment circulated to you on the white paper, which incorporates the new letter brought forward. The amendment is moved by the hon. member for Treasury, Mr Corkill. Those in favour please say aye; against, no. The ayes have it. The ayes have it. I therefore put the motion, hon. members, as amended. Those in favour of item 28, as amended. Those in favour please say aye; against, no. The ayes have it.

A division was called for and voting resulted as follows:

For: Messrs Gilbey, Quine, Rodan, North, Sir Miles Walker, Mrs Crowe, Messrs Rimington, Brown, Houghton, Henderson, Cretney, Duggan, Braidwood, Mrs Cannell, Messrs Shimmin, Downie, Mrs Hannan, Messrs Singer, Bell, Corkill, Cannell, Gelling and the Speaker - 23

Against: None

The Speaker: Mr President, the motion carries 23 votes in favour and no votes against.

In the Council -

For: Messrs Lowey, Waft, Kniveton, Radcliffe, Mrs Christian and Mr Crowe - 6

Against: None

The President: Hon. members, with unanimity throughout the Court, the motion therefore carries.

Now, hon. members, that brings to a conclusion the order paper for the final sitting of the year 2000 and I would now like to take the opportunity to wish you, hon. members, our messengers and your families a happy and a very peaceful Christmas as we enter a new year into 2001. Council will now withdraw, hon. members, and leave the House of Keys to transact such business as the Speaker may place before them.

The Council adjourned.

HOUSE OF KEYS

The Speaker: Hon. members, as the President has done, so I would like to extend to you all and your families the age- old greeting of best wishes for Christmas and health, peace, prosperity and success throughout 2001. So, hon. members, this House now stands adjourned until the sitting in this Court on 16th January at 10.30 a.m.

The House adjourned at 6.26 p.m.