

**REPORT OF PROCEEDINGS OF
HOUSE OF KEYS
(LEGISLATION AND OTHER MATTERS)**

**Douglas, Tuesday, 25th June 2002
at 10.00 a.m.**

Present:

The Speaker (the Hon J A Brown) (Castletown); Mr D M Anderson (Glenfaba); Mr L I Singer (Ramsey); Mr R E Quine OBE (Ayre); Mr J D Q Cannan (Michael); Mrs H Hannan (Peel); Hon S C Rodan (Garff); Mr P Karran, Hon R K Corkill and Mr A J Earnshaw (Onchan); Mr G M Quayle (Middle); Messrs J R Houghton and R W Henderson (Douglas North); Hon D C Cretney and Mr A C Duggan (Douglas South); Hon R P Braidwood and Mrs B J Cannell (Douglas East); Hon A F Downie and Hon J Shimmin (Douglas West); Hon J Rimington, Mr Q B Gill and Hon Mrs P M Crowe (Rushen); with Mr M Cornwell-Kelly, Secretary of the House.

The Speaker took the prayers.

Leave of Absence

The Speaker: Hon. members, I have granted leave of absence to the hon. member for Malew and Santon, Mr Gelling, and the hon. member for Ramsey, Mr Bell.

Chaplain of the House of Keys — Good Wishes for Recovery from Illness

The Speaker: Before we start our proceedings, I am sure that we all wish Canon Baggaley, our chaplain, well in his illness (**Members:** Hear, hear.) and hope he has a speedy recovery and look forward to him returning to the Island.

Questions were taken at this point and concluded at 11.32 a.m. They are published separately.

Select Committee on Air Transport Licensing — Statement by Mr Singer

The Speaker: We move on to item 3 on the order paper, which is 'Statements', and I call on the hon. member for Ramsey, Mr Singer.

Mr Cannan: Mr Speaker.

The Speaker: Hon. member for Michael.

Mr Cannan: May I, under standing order 7, move that this House continues its business this afternoon at 3 p.m.?

The Speaker: No, sir, you can do that later on in the agenda when we get to one o'clock and see where we are up to. I think that would be more appropriate. Hon. member for Ramsey, Mr Singer.

Mr Singer: Thank you, Mr Speaker. Hon. members requested the air transport licensing select committee to report by today. However, it was generally recognised that this was a short timescale, considering the amount of work to be done and consultation procedures to be undertaken. The report has not yet been finalised, but should be during the summer months.

Meanwhile, I would like to briefly outline for members what progress has been made so far. Mr Speaker, the committee of Mr Earnshaw and Mr Shimmin under my chairmanship has held five meetings since it was established by the House of Keys on March 12th 2002. The committee produced an extensive paper on the present Civil Aviation Authority regulations concerning air route licences, changes which are expected to take place shortly and the current air transport scene in the Isle of Man and the Channel Islands. The committee issued a written invitation to all members of Tynwald, all government departments and the air transport industry

serving the Island - that is airlines, travel agencies and travel companies - to submit written evidence regarding the desirability of the Isle of Man establishing an air transport licensing authority. By the closing date for submissions, May 31st, replies had been received from four members of Tynwald, one government department and four companies in the air transport industry, as well as the Airport Director and a very small number of individuals. The committee is now in the process of examining these replies and will decide whether to call on any of the respondents to submit oral evidence to it in due course. Given that the Channel Islands of both Jersey and Guernsey have air transport licensing authorities, the committee felt it appropriate to meet with representatives from these bodies to discuss their work. A visit was made to Jersey on 30th May, at which very useful discussions were held with representatives from the Jersey Transport Authority and Guernsey Transport Board.

Mr Speaker, I expect that the committee's report will be before the House at the beginning of the new session. Thank you, Mr Speaker.

The Speaker: Thank you, hon. member.

Standing Orders Committee of the House of Keys — Report Received — Recommendations Approved

Item 4. The hon. member for Michael (Mr Cannan) to move:

That the First Report of the Standing Orders Committee of the House of Keys 2001-02 be received and its recommendations approved.

The Speaker: Right, hon. members we move on to item 4, 'Reports', and I call on the hon. member for Michael, Mr Cannan.

Mr Cannan: Mr Speaker, this item is the report of the Standing Orders Committee of this House. Hon. members will have been circulated with the report. It is a short report. The committee met in April and we considered this matter of amendments to Bills. Now, at present, under standing order 154(2)(b), amendments to Bills must be tabled by submitting them to the Secretary of the House, for circulation to members, no later than 5 p.m. eight days before the day of the sitting at which it is to be considered. That would mean that you would be circulating amendments for the sitting after the next sitting of the House of Keys, and that caused a certain amount of confusion when all other matters for submission, whether they be motions or questions, have to be submitted on the Monday, which is six working days, and this required that they were submitted the previous Friday.

So, if you look at your report, it states that the present standing order 154 was adopted by the House on 9th May 2000 and, as I say, on . . . it was not quite at the beginning of April, it was on 27th March, your new committee met and considered the operation of standing order 154(2)(b). We came to the conclusion - the members of the committee, which consists of the Speaker, myself, Mr Downie, Mr Gelling and Mr Quine - that the standing order be changed to six days, and you will see on page 4 of the report the recommendation and substitute for the standing order: 'tabled by submitting it to the Secretary of the House for circulation to members no later than 5 p.m. six days before the day of the sitting at which it is to be considered, provided always that for six days there shall in any particular case be submitted such shorter period as Mr Speaker may prescribe in respect of any amendment which, in his opinion, is substantially the same as an amendment which has been tabled on six days' notice'. So, in other words, if this report is approved by the House, amendments to Bills may be submitted up to 5 p.m. on the Monday for the following week's sitting, and if there is some typographical error or some minor adjustment, with the permission and concurrence of the Speaker, the amended amendment may be submitted to members later. I do not believe this is a contentious issue; I believe it is in the House's best interests and I believe it is in members' best interests. I would ask the House

to support the first report of the new Standing Orders Committee of the House, and so I beg to move.

The Speaker: Hon. member for Ayre, Mr Quine.

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

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

Mr Corkill: Thank you, Mr Speaker. I do not have any problem in supporting the recommendations in this report. I think that when we changed the standing orders to introduce this particular procedure with regard to amendments, we knew that we would have to learn by experience as to how it would work out, and I think this is fine-tuning. Can I say, from a personal point of view, that I am relieved that there has been no suggestion to extend Question Time any further. (*Laughter and interjection*) Having picked up this report briefly and, as I have a habit of doing, turning to the centre of the report - it is a failing I have - on page 3 of an appendix it spoke of 'extension of the period of Question Time', but of course that Appendix was a previous report of this Standing Orders Committee from a previous House, so in general terms I think this is fine-tuning. It is improving the major change that occurred and I am happy to support the motion on the agenda paper, Mr Speaker.

The Speaker: Hon. member for Douglas East, Mrs Cannell.

Mrs Cannell: Thank you, Mr Speaker. I do not have any problem supporting the recommendations, but rather consider that, as it is the first report of a newly-elected House of Keys Standing Orders Committee, I would like to take the opportunity to merely put a marker down and ask this committee, when considering their next report, to please fully consider perhaps amending standing orders, or including a new standing order, to deal with consolidation of legislation. The reason I ask this is that, in the adjacent isle, in Westminster, there is a procedure when the government or the parliament are considering consolidating existing legislation, and I am talking about pure consolidation - nothing else, just pure consolidation. There is a method within the United Kingdom whereby that is actually done: it is laid before the parliament, but it is not debated upon. I would like the Standing Orders Committee to actually consider it. Whether or not they would recommend a change so that we may be able to take advantage of the same will remain within that committee and for this House to consider, but I would like them to consider it, because I can see, in the not-too-distant future, that this requirement to consolidate what we have in existing law will be necessary. If we stick with the same procedure that we have now, it gives the opportunity for members to re-examine their navels, having previously approved the legislation some years ago, and it slows the work of this House down, I might suggest. So, I merely put a marker down to ask the committee: could they consider, please?

The Speaker: Hon. members, I would just make the point that that is really drifting outside the basis of this report. Understanding that the member is taking the opportunity to raise an issue, I would advise hon. members that I hope we do not get into a big debate on that issue. I can advise that the Standing Orders Committee is undertaking a total review of standing orders, and members will be consulted on that in due course. Hon. member for Onchan, Mr Karran.

Mr Karran: Vainstyr Loayreyder, obviously, as a member who was totally opposed to the time restrictions in the first place - I thought it was a step backwards - this is a step forward as far as this is concerned.

Now, I did raise the issue concerning making sure that the legislation will be put into the Members' Room so that people have that opportunity of seeing what chance they have of putting amendments to legislation which is coming through, but I have to say that I am still very disappointed, because it is all edged towards the executive in this hon. House. At the end of the day, the executive can suspend standing orders almost easily, far more easily than any

individual member of this hon. House can, and I do think that it was a sad day when we could not put amendments from the floor of this hon. House for legislation. I do hope that the committee will revisit that. I believe it has deterred from the parliamentary process of scrutiny as far as this House is concerned in a big style. We are not here as a rubber stamp for the executive; we are here to scrutinise and be part of the checks and balances.

As far as I am concerned, I still think that it should go back to what it was before when people came with something - somebody comes up with a very valid point in debate, when proceeding with clauses - because the new rules that were made have stopped that, in my opinion. I do hope that the committee will revisit going back to how it used to be, where members of parliament can listen to the debate and, if something comes up in debate, they can move an amendment at the present time. People like myself who take an interest in legislation know that it is virtually impossible, without the sanction of the executive, to move anything at the sitting if something relevant comes along, and I think it detracts, Vainstyr Loayreyder. I personally feel that we should go back to what we used to have, and I think it would be far better for this House and it would make sure that we were getting the input that there should have been instead of it coming over outside this House that our legislative process is almost stage-managed.

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

Mr Henderson: Thank you, Mr Speaker. I would like to say that I support the Standing Orders Committee's move this morning, but I would just like to address a concern that has been raised by my hon. friend opposite, in as much as we are all in receipt of instructions, from the Secretary of the House and via your good offices, Mr Speaker, that the issues with amendments have been addressed and investigated and, if there is still an extreme concern, that a Bill can be suspended until such time as those amendments can be placed so that hon. members' rights can be protected in that way.

Mr Karran: The executive has to agree to it.

The Speaker: Hon. member for Rushen, Mrs Crowe.

Mrs Crowe: Thank you, Mr Speaker. I, too, would like to rise to support the Standing Orders Committee, but also just to comment on the input of the member for Onchan, Mr Karran, who said that he takes an interest in legislation. If that is the case, there is ample time to review legislation before us: we have ample time with the Bill in our hand to refer, to ask questions of whomever, draftsmen or even the department moving the Bill. When I was moving the Shops Bill on the floor of this House, I was faced with 26 amendments from the floor of the House. Any one of those amendments could have floored the Bill and made it unenforceable. The fact that there is now time for the departments involved in moving legislation to be able to say 'Yes, this may well be suitable, let us go along with it' or 'No, it will make the Bill unenforceable' I think is a valuable gain to the House and the progression of sound, enforceable legislation.

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

Mrs Hannan: Thank you, Vainstyr Loayreyder. I would like to support the member for Onchan, because I feel that there was a time, when I entered the House, that after the second reading the Bill just went straight into clauses and there was not an opportunity to look at these issues. That was then changed, which I thought was a major step forward.

What we have now is, I think, as the member has said, stage-managed. The amendments are placed on the table beforehand and the mover knows the arguments for and against, and that is fine and maybe that is as it should be, but there are other readings and that is the main reason for having other readings of the legislation. The Bill also goes on to the upper House for their consideration. Now, if you are going to wind it up after the second reading, when members have only just discussed the broad issues of the legislation, and then you put forward

amendments. . . And these amendments almost invariably are put together for us by the legislative draftsman, and we all know that if the legislative draftsman does not want us to do something, we do not get an opportunity to do it, unless we settle down by ourselves and work out an amendment. So, not only are we at the whim and the wish of the legislative draftsman, but also his time, because, as one of the movers has suggested, drawing up legislation does take up a lot of time, let alone looking at amendments for us. So, you might very well say that yes, there are two weeks between readings, but that is not an awful lot of time, and then we come into the House to consider the clauses and, if there are amendments, to either vote for or against, but in the course of the discussion of each individual clause and what that clause represents, we have no. . . That is the stage when it is discussed in absolute detail, and it could be that something is just not going to work. Now, if it cannot be amended at that stage, or it is a matter of principle, and it is either accepted or rejected by the House, the upper House has absolutely nothing then to look at. They are accepting a Bill that has gone through here in what I might call a very organised way, and it is organised, as the member for Onchan suggested, for the establishment - the Council of Ministers, the government - and the reason for us being here is to make sure that the legislation is right, is satisfactory and is something that we want. To get an amendment on the floor of the House on the day requires 16 votes and then, obviously after the discussion, it requires the majority to put it into the Bill. So, it is no easy matter when you are looking for just a consideration of a particular option as it goes along.

The standing order before us today, Vainstyr Loayreyder, is a step forward: it does allow members wishing to gain an amendment or to look seriously at a Bill after the deadline, which was the eight days before, that little bit of extra time, and therefore I will be supporting it, but I do think that we have lost something in the immediacy of the debate when it comes to looking at clauses and possible amendments to that, and I am not sure that it is necessarily a good thing in the interests of the legislation that is going through this House. In a way, you could say that we come in here on a Tuesday, we look at legislation and we know before we actually enter the House that the legislation is either going to be accepted or amended, and it would be interesting to see how many amendments have actually been accepted by movers in this House to make legislation more relevant to the people of the Isle of Man, the people whom we represent.

The Speaker: Hon. member for Michael to reply.

Mr Cannan: Well, hon. members, I thank you for your comments. I start with the Chief Minister: I notice that he accepts the report, but he does not want any future Standing Orders Committee to extend Question Time. I will bear that in mind, sir, when the committee meets.

I thank the member for East Douglas, Mrs Cannell, for her comments and for the need to introduce the matter to which she referred. However, I am pleased to advise the House that the Standing Orders Committee is indeed meeting on 17th July to review all of the standing orders of this House, and following that total review there will be consultation before it is brought to the House. But I would say to any member that, in view of the meeting of your Standing Orders Committee on 17th July, I would take this opportunity, if you have any particular matter which you feel needs to be reviewed, to write to the Secretary of the House, (**A Member:** Hear, hear.) and he will bring that to the notice of the meeting. I believe it is important that you should do that rather than, when you get the report from the Standing Orders Committee, then complaining that this and that was not in. You now have the opportunity, over the next few weeks, to write in with what you think about whether there should be any changes.

I take on board the views of the hon. member for Onchan, Mr Karran, and the member for Peel, Mrs Hannan. Yes, it is an improvement. It is an administrative improvement to reduce from eight to six days. I also notice their comments that if you want to bring in an emergency amendment, you have to have 16 votes to suspend the standing order. I will not comment on

their views; I believe that these matters will be further considered by the Standing Orders Committee at its next meeting. What you have before you today is the report, which asks you to support the amendment to standing order 154(2)(c), and I hope that the House will support the recommendation in the report. I beg to move, Mr Speaker.

The Speaker: Hon. members, the motion before you is that the first report of the Standing Orders Committee of the House of Keys 2001-02 be received and its recommendations approved. All those in favour say aye; against, no. The ayes have it. The ayes have it.

**A Bill to Require Members of the Legislative Council to be subject to Popular Election —
Leave to Introduce Granted**

Item 5.1. The hon. member for Ayre (Mr Quine) to move:

That leave be given to introduce a Bill to amend the provisions of the Isle of Man Constitution Amendment Act 1919 and the Isle of Man Constitution (Elections to Council) Act 1971 to require members of the Legislative Council to be subject to popular election, and for connected purposes.

The Speaker: We now move on to item 5 on the order paper, and the first matter for leave to introduce is to the hon. member for Ayre, Mr Quine.

Mr Quine: Thank you, Mr Speaker. I have taken the liberty of writing to all members of Tynwald, setting out my proposals for the reform of the Legislative Council. A number of members have responded to me in writing and others have taken the opportunity to discuss it with me, and I am most grateful to them for that.

I think it is true to say that the approach to reform of the Legislative Council, as embodied in the present proposition, is materially different in a number of respects from those that we have had before us in the past. I have certainly sought to address a number of what I would term 'stumbling-blocks' to previous efforts to reform the Legislative Council. In finding what I hope will be acceptable solutions to those problems, I have had the advantage, as I have mentioned to members in my correspondence, of drawing on a committee report on the constitution of the Republic of Ireland, and I think that has been very helpful. Essentially, I think there are two key features, and that is all that I think I need to mention today. One is, of course, that it confronts the issue of popular election of the Legislative Council, which perhaps is the key issue: the matter of democratic legitimacy. It suggests, of course, that this popular election could be by postal vote. Secondly, it also deals with a statutory prescription of their duties, which hopefully, if I obtain leave to introduce today, will be the basis of debate later on. I think statutory prescription is important, because when one looks back to past debates, this question of conflict between the two chambers has been a key issue, and by statutory prescription I think, to some extent - hopefully to a large extent - we can eliminate or certainly alleviate, those points of conflict.

I do not think, sir, that at this stage I need to say a great deal more other than that I am obviously very ready and willing to take on board comments from members and to answer members' questions. The one final matter, perhaps, which I should mention is that I have, in accordance with the Treasury Act, obtained Treasury concurrence prior to seeking leave to introduce. So, with that, sir, I would ask that leave be given to introduce a Bill to amend the provisions of the Isle of Man Constitution Amendment Act 1919 and the Isle of Man Constitution (Elections to Council) Act 1971 to require members of the Legislative Council to be subject to popular election, and for connected purposes. I beg to move, sir.

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

Mr Houghton: Thank you, Mr Speaker. I am very happy to second this motion, sir, today. Without repeating what the hon. mover has said, we need to look at the actual legislation when it is brought before us, but he does make these two main points that indeed have been the

source of some conflict in the time that I have been in this hon. House: the issue of the Legislative Council being popularly elected - let us look at that in detail when the Bill comes forward, if it does get the support of this hon. House - and also statutory prescription of those duties, so that they are there in black and white and cannot be interfered with as time goes along. If they are put into primary legislation, I think that will be a real bonus in order to structure governments in the future, but we do need to examine that much more closely at the time, sir. So, I do congratulate and commend the hon. mover for bringing this forward and having another look at this particular scenario with this very much out-of-date situation that we have (**A Member:** Hear, hear.) in regard to the Legislative Council in this day. I do congratulate him for that, sir. Thank you.

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

Mr Rimington: Thank you, Mr Speaker. I would like to give my strong but qualified support to the leave to introduce today, and I have to make a few points. I think it is relevant that I make them now, at this early stage, rather than waiting for the actual Bill itself to come forward.

I do believe that popular election of the Legislative Council would be very healthy for democracy on the Island, and it accords with my other main priority, which is still to retain the second chamber or the upper chamber and to have the checks and balances in place, which I think is a necessary and very useful part of our constitution. I think the idea, obviously, of having the larger constituencies which would be necessary to actually undertake that process of popular election would be very healthy for the Isle of Man as well: it would be an opportunity to raise the level of political debate, and the issues that are discussed at that election time would be less focused on the more narrow interests of the locality and more focused on the wider interests of matters affecting the Island overall. I would hope that would be of great benefit and there would probably actually even be what you would call a trickle-down effect into the level of debate in the Keys nominations as well.

I would ask that the hon. mover would consider being not too prescriptive in how he brings this matter forward, as the basic principle might get lost in the detail. The postal ballot, which I have no opinion on whatsoever, might, to some members, prove a stumbling-block and I would not wish that to be the case. We should not overly concentrate on what the functions would be of the upper chamber at this point. Yes, those issues do need to be addressed and that determination does need to take place, but the important thing, I think, at this stage is to establish the principle of popular election and to not lose that principle by disagreement on the detail of how that principle is implemented. There should be a manner in which we can arrive at some consensus on the detail rather than the principle getting lost and being used as an excuse to counter that basic principle.

Personally, I am in favour of ministers being drawn from all members of Tynwald, especially if they are all elected. I believe that, with the small body of people that we have on the Island, the Chief Minister must be able to select his Council from the widest number of members to ensure that we have the best government on the Island. I think there is also a side effect then, which would be very attractive to members within this Court and the public in general: if you actually had more ministers in the Council - say two or three or whatever - you would reduce the 'block vote', as it is called in the Keys. You would actually open up democracy by that process rather than (*Mr Singer interjecting*) closing it down, and that, I believe, is an issue to be considered.

I know that there has been this historic concern about conflict that might take place between the two chambers, and I wonder actually whether that conflict is one that has been imagined in the past and used as an excuse to halt progress in this manner rather than what would be there in reality, in that hopefully, if you were electing people from these larger constituencies, you would be getting good, sensible hon. members (*Laughter*) - wishful

thinking, I know. I cannot see that there would necessarily be that conflict: the Keys would always have the 24 votes in this House and in the Court of Tynwald and have that supremacy, and therefore I do not personally see that area of conflict as being so strong.

There is one last issue we could address, and that is the question of mandate or public mandate, which I have referred to in the past. If you are going to make quite a radical change to our constitution, which I believe is worthwhile, although we have the power within the Keys to move a Bill - technically we have the power to suspend standing orders and move it all through in one day, and we would still be within our rights - I am not sure that with an area like this, which is a constitutional change, we should hurry through; with starting this process off at the beginning of the House, and without wishing to say, 'Well, let it just expand into the ether and never reappear again', there must be an opportunity there for a mature period of public consultation so that that idea does gain acceptance or otherwise outside of this House and people have that full opportunity to make their views known. That period of consultation, I would think, would be best managed by a committee of this House. With that in mind, my suggestion is that somehow - and I am not sure of the precise mechanisms or the wordings that the hon. member would wish to use - it progresses through to second reading to establish the Bill of principle and then goes to a committee for the detail, et cetera to be considered and there is that public consultation over a lengthy period, so that if that constitutional change is made, then it is not done on a basis of conflict but of a wide acceptance amongst the population. Thank you.

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

Mr Karran: Vainstyr Loayreyder, I support the leave to introduce this Bill because I believe it would be wrong not to do so. Whilst I question whether we want to elect the upper House, I will be interested to see what the hon. member comes up with as far as his proposal is concerned. So, I am happy to support today the principle of giving the hon. member leave to introduce. It will also help with the Attorney-General's department: they will have no excuses to say that they are busy on government work in the recess, so the individual will have the opportunity to get the relevant support in order to draft his legislation.

I would hope that everybody would support the hon. member in his principle that we should see his Bill, and let us debate his Bill in detail. I wait to see what is in this Bill, and I believe that what we must not allow is a situation where we lose an opportunity. There has been an opportunity where there has been a lack of legislation coming from the executive at the present time, and I think it would be wrong if there were actions of a dog in a manger to stop the hon. mover of the Bill from proceeding with getting the Bill drafted. It gives an opportunity to try to get that Bill drafted by the Attorney-General's department, and I shall be supporting it.

I will be listening with a lot of interest as far as his constitutional changes are concerned, because I do feel that it has been naïve of this House to allow the upper House to be elected with a bigger mandate but then turn around and say to the upper House, 'Ah, but you are only revising', and I will be interested to see how he gets around that principle. I shall be supporting the hon. member because I believe that it would be wrong not to do so and an opportunity lost by this House to debate this important issue in our next parliamentary session.

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

Mr Shimmin: Thank you, Mr Speaker. It was inevitable that this would come back to the floor at some stage during the course of this House, and I am glad to see it so early on in the House. I will be supportive of the member's leave to introduce, and in principle, again, I think he has the majority support of members of this House, albeit maybe close, for popular election.

I would agree with some of the comments from the member for Rushen regarding the detail. I think too often in the past this issue has been one which has had general support but the specifics have often been the rock on which they perish, and therefore I would enjoy talking

with the hon. mover throughout the progress of his deliberations in order to try and see if we can do what is often done in legislation: the principle is established and there is a mechanism of the detail to be added after the principle has been won. I think that all too often the opponents of any change have introduced so many scenarios which then become unsupportable, and I would like to see, and wish him well in actually getting, the principle established, and the detail is something which, hopefully, we will be able to get a consensus view on, sir.

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

Mr Cretney: Yes, thank you, Mr Speaker. As a member of the executive now, and previously not as a member of the executive, this is something I have supported for a long time - improvement to democracy in Tynwald - and I welcome the tenacity of the hon. member for Ayre in continuing along this route, albeit in this format. I think that, for some members, this present format may be more acceptable. I hope that is going to be the case.

Can I comment on two points at this stage? First of all, the postal ballot issue has been raised, and it seems to me, in tests of exclusive postal ballots elsewhere, that they have proved to be very successful in terms of obtaining higher turnouts than is generally the norm. In another committee, we have had access to such information, and I think that is something which is worthy of examination, albeit that care has to be taken with all these things that there would be no fraudulent use of such systems. The other thing I would like to comment on which has been raised this morning is the mature period of consultation. I would not want the mature period of consultation to become an excuse not to do anything, because unfortunately that is what has happened in the past: we have consulted and we have thought and then, when it comes to election year, that is it; we are not going to do anything about such major constitutional changes, are we? So I hope, given the amount of work that has been put into this in the past in terms of improving democratic accountability, that on this occasion the hon. member will have some success.

Finally, Mr Speaker, I feel a bit sorry for you today, because I know this is an issue you feel strongly about, albeit from a different perspective from mine, so I am glad that (*Laughter*) you are sitting in that chair today. (*Laughter*).

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

Mrs Hannan: Thank you, Vainstyr Loayreyder. Yes, I, like other members, support the leave to introduce this legislation. I support the popular election of the Legislative Council. We have had Bills before us in the past and, as the member for South Douglas has suggested, we can support the principle; it is the detail that we find difficulty with. Therefore, against certainly my principles, I have had to vote against some legislation that has been before the House. This legislation is something that I hope I can support when we get to the detail. We have had select committees in the past and we have had people trying to move this legislation themselves, as the mover has done in the past, and therefore it is not as easy as maybe it seems to seek leave to introduce legislation that we would all support. It is in the detail.

I see no reason to elect members of the Legislative Council in a different way to that in which this House is elected and I do not see any problem with that by them saying, 'Well, I have got this mandate which is greater than yours.' Mandates are different in different areas and in different countries. However, we only have to look at how people are elected in different places throughout the Island: in local authorities, some are elected, you could say, en bloc, but they all go to the poll at the same time; some are every year and they might have three votes to elect them within an area or however many seats there are to be filled; however, in Douglas it is one vote. So, it is different in different areas, and I am not saying that one is any better than the other, except I would say that one person, one vote, should be the principle that we are looking for. In a so-called mature democracy, I do believe that every person should have a vote; whether that vote

then transfers to give more overall support is a different matter, but I do believe there should be one person, one vote. We should get away from the multiplicity of votes in areas depending on where you live and we should become a mature democracy.

There are a number of issues: how do we get people out to vote? How do we actually instill in them the need for a democratic response from the community? And that, in some ways, is difficult, especially if, as I have put to the committee which is looking at this, there are a number of issues which make the actual return less than 100 per cent. It could be that the people are not there to vote; it could be that the voting list is wrong anyway, and so you would get a lower percentage. I am not sure that a postal ballot is the answer; I am not sure about voting on the internet or through e-mail; I am not sure about these sorts of issues. If one goes to vote oneself at the polling booth, one person goes into a booth and makes their mark. Nobody else knows, although it could be traced back if an application was made to the court. However, in a postal ballot, people can be influenced, and in some places where they have done research and where postal ballots have been used, there have been parties which have organised for their individual ballot papers to go to a specific address and to be voted there and returned to the returning officer. So, there are ways of being able to influence. There are ways in which people who are not interested in voting will give their vote to someone else, and these are all issues which, I think, before we go down the route of postal ballots or any ballots other than by individuals, even if it is to get the percentage up. . . If people are not that interested in going out - and we should make it easy for people and there should be polling stations in areas which are convenient to them - we should be encouraging them to go out this one time, whether it is once every three years, once every year, or once every five years. We should be encouraging people to make that commitment, and I believe that we can do that if we make a commitment to them by going out, canvassing and listening to what they have got to say, not just at polling time but at other times as well.

I am digressing, but it does come back to the election of Legislative Council members. I do believe that Legislative Council members should be elected, and I would hope that the member for Ayre will bring forward legislation that I can ultimately support. Thank you, Eaghtyrane.

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

Mr Downie: Thank you, Mr Speaker. I will be supporting the hon. member for Ayre in his endeavours to bring forward this Bill, but I just want to put my marker down. There are a few issues that I would like to see addressed.

Firstly, I think we should all clearly understand the criteria on which the present Legislative Council is elected. They are, effectively, controlled by us, by this House: we are the ones who put nominations forward; we are the ones who scrutinise those who are proposed and seconded; and, in fact, we are the ones who have to be satisfied that the people we put onto the top bench are worthy of that honour. Now, people will argue - and they have argued for years - that they should be democratically elected; I share that view. If we can find a way of doing that which satisfies the requirements of the job description and provides the best people for the job and people who we can work with and know we can work with, fine; I think we should progress that. But let us be perfectly honest: we are being asked to elect a person to an upper House who is just going to go to a revising chamber. What other rôle do they have in life within the development of government or to the benefit to a particular constituent? We are told we will have no constituents; they do not really represent anybody, but they are voted there by someone. What is the mandate for this person when they put their name forward? How do they sell themselves to the electors? Are they expected to produce a manifesto? Are they entitled to have any policies? Or really are we just looking for a similar situation to that which we have at the moment, where we are happy to put somebody on the top bench and we vote them there but we are looking for a way in which there can be some public input into that process? It is very, very

difficult and I would hate to see us having a system in place where someone was elected to the Legislative Council with 120 votes from the public out of a voting population of 50-odd thousand people in the Isle of Man - I think that is how many there are on the electors' roll altogether.

I think it is going to be difficult and, as with all recipes for good puddings, I think it is all going to be in the eating. It is going to be a very interesting piece of legislation and one which I am sure the hon. member for Ayre is perfectly capable of producing, but there are still a lot of areas which have not, I feel, been addressed and there will be some questions that will need to be addressed. I am not sure how this business of a postal ballot will work. I know, from reading comments in the Irish newspapers, that there was a lot of concern expressed in Ireland following recent postal votes. It is an area that is open to misrepresentation, I think, in some way. It is very, very difficult to come up with a solution that will appeal to everyone and will get everyone's support. I am prepared to put my weight behind the hon. member for Ayre and let him get cracking and see what he does come up with, but I think that when we have our first and second readings, that is when we really need to make our minds up as to where we are going and whether we feel that we are all going in the right direction.

I just want to make comment, finally, about the jibes that have gone back and forward today about people being in the establishment and being in government. As far as I am aware, I think every member of this hon. House is on the payroll of the establishment; we are all members of government; we are all actively participating in government; there is nobody at the present time who (*Interjection*) does not have a government department. As far as I am concerned, if there are people who do not agree with the present system, let us see one or two put their money where their mouth is and some resignations come in, but do not keep knocking the system all the time (*Mr Karran interjecting*) and keep at it in this present way. I do not think it does the credibility of this House any good, or Tynwald for that matter. We are either all team players together or we are just a load of individuals (*Interjections*) . . .

The Speaker: Hon. member, you are broadening it out and I really would ask you not to. I know what you are saying, but I think you have made the point.

Mr Downie: Thank you, Mr Speaker.

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

Mr Corkill: Thank you, Mr Speaker. My comments will be brief. I, too, will be supporting the hon. member for Ayre in his leave to introduce. I have a couple of questions. I was very interested that two former chairmen of the post office plus the current chairman, who is moving this motion, are talking about postal ballots, and I wondered if it was an effort to drum up more business (*Laughter and interjections*) for the postal authority, in which case I was going to commend the hon. member for his initiative in such affairs, because obviously the more post the better. Other people have spoken about electronic voting and the voting system, which leads me to the point, Mr Speaker, that this motion is quite specific in terms of the legislation it seeks to amend, but a number of speakers already have referred to issues in the Representation of the People Act, particularly in terms of systems which the public use for voting for us as members of the House of Keys, and so perhaps the hon. member would make comment on why the Representation of the People Act is not included in this. Will there be proposed changes to that Act as a knock-on effect of what he is seeking to insert into this Bill?

I would also, from my own point of view, just like to say that some years ago I, too, was in favour of an all-elected Legislative Council. It was something that I put in my manifesto back in 1991 and someone must have spotted that because I was immediately put on a select committee which looked at the functions of the Legislative Council and which was chaired by the then Speaker, Mr Cain. Over a period of time, I think I realised that the devil is very much in the detail, and a number of people have mentioned the detail this morning, so I wish the hon.

member well in his endeavours to deal with the devil in the detail, because starting off with a basic premise, as is stated in this leave to introduce, inevitably leads us down certain avenues, whether it is to do with voting systems or conflicts between the chambers. I am quite clear in my mind, after a number of years in this House, that the people of the Isle of Man elect members to the House of Keys and that the elected power base is in the House of Keys, and this is an issue that I think will need to be addressed and covered by the Bill. Now, the hon. member may well reply by saying that he will limit the powers of the Legislative Council, and I think that is the balance that is going to be there, and I look forward, with interest, to the issues that he is going to insert into the Bill. I look forward to the Bill because I, as an individual, also have issues to do with the Legislative Council, particularly with their scrutiny rôle, and this Bill may well be a suitable vehicle for those desires of mine as an individual, not as a member of the executive, on how they function.

I think the hon. member for Douglas West, Mr Downie, made some valid points just now with regard to the way the Legislative Council performs, in as much as it is as good or as bad as this House makes it, because we are the ones responsible for the members - well, not quite all of the members, but most of the members - in the Legislative Council, and if we are not satisfied with the performance of the Legislative Council members, we have it in our hands from time to time to assess it, as in fact the people of the Isle of Man have it in their hands from time to time to assess our performance. So, I support the leave to introduce; I am not necessarily in favour of drumming up postal business in that particular way, though, Mr Speaker.

The Speaker: Hon. member for Ayre, Mr Quine, to reply.

Mr Quine: Thank you, Mr Speaker. First of all, may I thank Mr Houghton for seconding the motion. I am grateful to him for that and for his support.

I think the first thing I would seek to deal with - and I will do this in a general way before I come on to members' individual comments and reservations - is the question of the devil being in the detail. Quite clearly, that is the case. I have recognised that, and it is for that reason that I have done several months of research leading up to this and written out to members in significant detail, seeking to identify from that process their individual concerns. Either they like that aspect or they do not, or they can live with that or they cannot live with the other, and it was through this process of correspondence that I thought I could narrow down the parameters of the exercise that I was about to initiate. To some extent that has been successful, as I intimated when introducing the motion: I have had several written responses and a number of discussions, which have been very helpful. But perhaps I could not claim that the product of that correspondence has provided me with as much information as I would have wished in order to take a definitive view on all the finer points relating to this particular proposal. However, such comments as I have had have been helpful, and I am grateful to hon. members for that.

Mr Rimington's position, of course, is quite clear: as he said, he is for popular election. I think, in common with myself, that he recognises the importance of the Legislative Council, even if not as it presently functions, and recognises the potential of the Legislative Council to carry out a more expansive and invaluable rôle by providing checks and balances. I have spelt that out again in my correspondence, where I have identified the proposed duties, and I think that is a key rôle for them; it is elsewhere - that has come out of my research - and I certainly want that to feature in the proposition which, hopefully, with your concurrence today, I will be able to go forward and get drafted into Bill form.

Mr Rimington made reference to larger constituencies, and he sees that as being healthier. I will sidestep the word 'healthier', but certainly, I think, in terms of a second chamber, a chamber of elder statesmen, the fact that they would be drawn from larger areas would, I would hope, assist them in taking a stronger national perspective in carrying out their rôles, and that has certainly been recognised by myself and is part of the proposition. I take on board his

advice not to be too prescriptive, and I will, as I get into the details of the Bill, bear that in mind. Against that, I have to weigh up the knowledge I have of the difficulties of past exercises where the lack of prescription has been one of the reasons - all right, some may say excuses, but let me use the word 'reasons' - why particular aspects of previous Bills have not found favour. The need for prescription, at least to some extent, has come through in past exercises, not least in regard to differentiating between the rôle of the lower House and the upper House and the need to make that distinct and the need to, as far as one can, keep them separate and out of unnecessary conflict. So yes, this need not be too prescriptive; I understand the merit of that. At the same time, I will have to lay that off against the other requirements which have come through from earlier debates.

The matter of public consultation: obviously I will seek to get the widest possible consultation, and my thoughts - and this was mainly in the context of this hon. House - were that when I have a draft of the Bill - never mind the Bill ready for first reading - it was my intention to go out to members at that early stage and seek once again to draw out from members their concerns. Perhaps when they see it in that basic format - it could be called a first draft stage - it may be easier for members to relate to the points of difficulty and to be able to express their concerns to me at that juncture.

I thank Mr Karran for his support. I have not had great difficulty with the Attorney-General's department myself - perhaps that is because I am not so prolific in bringing forward Bills - but I take his point about the fact that if we get approval today, it does mean that we have 'the summer recess', this quieter period in legislature terms, when, perhaps, I can get that Bill drafted. Much will depend, of course, on what other Bills they have on their slate, which, being government Bills, may have a higher priority than mine, and rightly so; I have no complaint about that.

I thank Mr Shimmin for offering to support the motion. He again makes the point that, of course, it is the specifics which in the past, to some extent, have been the rock upon which previous attempts have foundered. I fully recognise that. I think, in my time in this House, that I have been on five exercises of this nature and so has the hon. member for South Douglas, who has been on a number of these with me. I am fairly familiar with the different problems associated with this, but I am very conscious, as I say, that it will be difficult to steer around all these rocks, and ultimately there will be differences of view, whether they be on detail or indeed on some of the fundamentals, and this is the place for them to be resolved: on the floor of this hon. House.

Again, I thank Mr Cretney for his support for today's motion. Like the hon. member, I, too, trust that because we have taken a different approach on this occasion - at least materially different in a number of respects - and I am not proposing to get myself drawn into major restructuring of the legislature - Tynwald as we know it, Keys as we know it and the Legislative Council as fine-tuned or as adjusted, because the proposition I am putting forward does not change those three legs of the legislature - perhaps it will be a little bit easier to get majority support for some change to the legislation. I am also, as the hon. member for South Douglas has made the point, very conscious that there has to be a balance struck between perfectly legitimate, necessary, valuable consultation and not allowing this matter to drag on and on. Although this is a very early stage and we are here just a few months into the new House, when these matters go to committee, extracting them from those committees, whether they be Keys committees or whether they be - indeed ultimately, perhaps - the Legislative Council committee, is not always easy and cannot always be done in a timely fashion, but at the same time we must be able to consult, we must consult and we must get public views.

Again, I thank Mrs Hannan. I know how strongly she supports the concept of popular vote, and again I accept the point she made about the detail being the crux of the matter; I take all that

on board. I understand her reservations over a postal vote, and no doubt, as we move along with this exercise, there will be greater consideration of that particular aspect. It may be, of course, that, in parallel with this, we will have, perhaps in a timely fashion, some input from the committee which is, of course, looking at the matter of elections, and almost certainly that committee would have looked or would have to look at this matter of a postal vote. So that may be helpful in guiding us along the right lines to take a view on it.

Mr Downie, of course, spoke about the Legislative Council being controlled by this House and, put in the way that he has put it, I understand that. I cannot say that I wholly subscribe to that view, but I understand the position that he takes on it. It would certainly not be just a revising chamber, because I think you could hardly read the letter which I have sent out with the extracts and come to the conclusion that what is proposed for the Legislative Council is just a revising chamber; it is quite clear that that is not what is proposed. In fact, there is quite an expansive rôle which is proposed for them, but it is a distinct and separate rôle which will allow them to function, to a large extent, outside of their Tynwald position, separately.

Mr Downie, the hon. member for West Douglas, said it is very, very difficult and difficult, in particular, to get it to appeal to everyone. I am afraid I cannot even walk on water, never mind achieve that. (*Interjection*) I have tried and sunk. I will certainly do my best to narrow the differences and try to reconcile the different views. How far we get remains to be seen.

I thank Mr Corkill for his views and for again agreeing to lend his support to today's motion. He raises a very valid point in pointing to the fact that in the motion I have referred to two specific enactments and asks: how about Representation of the People? Well, I have taken advice on the basis of what I need to do to bring about the basic reform of the Legislative Council within the terms of the letter which I have circulated. I would hope that that will suffice. Whether it will or not will depend upon members' reactions to the Bill, but if we broaden the exercise out to any great extent beyond what is necessary to bring about a reform of the Legislative Council, then I would suggest to you that, no matter what the merits of this initial proposal, we are going to sink - it will sink lock, stock and barrel - because the wider you cast the net, the more difficult it will be to try to come up with an acceptable proposition.

Mr Speaker, I think those are really all the comments I need to make, other than to ask members if they would give me leave to introduce the Bill, and I will do my best then to, as I say, get it put into the usual Bill form and, at an early date, to revert back to members to see if we can identify further, before we get into final format, some of the difficulties and some of the obstacles. Thank you, sir. I beg to move.

The Speaker: Right, hon. members, the matter before the House is set out at item 1, under 'Leave to Introduce', in the name of the hon. member for Ayre, Mr Quine. All those in favour say aye; against, no. The ayes have it. The ayes have it.

A Bill to Amend Section 8 of the Audit Act 1983 — Leave to Introduce Granted

Item 5.2. The hon. member for Onchan (Mr Karran) to move:

That leave be given to introduce a Bill to amend section 8 of the Audit Act 1983 to provide for the making of regulations under that section to be mandatory, for the regulations to provide for the disclosure of all financial information relating to the expenditure of public monies and to prohibit any body subject to audit under the said Act from concealing or refusing to disclose or inhibiting the disclosure of such information on the ground of commercial confidentiality, for an annual report to be submitted by the Treasury for approval by Tynwald detailing the action taken pursuant to such regulations and for connected matters.

The Speaker: Item 2. The hon. member for Onchan, Mr Karran.

Mr Karran: Vainstyr Loayreyder, I will be brief with hon. members today regarding leave to introduce. One of the most important aspects of the job of a Member of the House of Keys is to fulfil the rôle of guardian of the electorate's right to know what is being done with its money. It is not primarily the rôle of the Member of the House of Keys to agree to everything just because it comes from the Chief Minister and the Council of Ministers have decided on the subject. The Chief Minister and the ministers are as capable of being wrong as the rest of us, and it should be remembered that the ends do not justify the means, and this is the very truth that I think this hon. legislative assembly needs to remember. When the means to the end makes a mockery of the parliamentary process and democracy, no matter how some hon. members might like to pretend otherwise, the plain truth is that a lie will always be a lie when it is at the heart of a falsehood and it is the intention to deceive as far as that is concerned. The truth has particular attractions about it and it sits comfortably with the facts. It is the spring water that the ethical conduct flows from. That ethical conduct does require us to have the truth provided to us as far as the actions are concerned.

My Bill will deal with the aspect of government that has become fashionable lately, and that is the knee-jerk reaction from ministers: when asking for the truth regarding the business of government, for any minister to say, 'I will not answer on the grounds of commercial confidentiality' is not acceptable. Let us look briefly at what is admissible under the heading 'commercial confidentiality': a commercial confidence is a secret confined to someone that has a value to both the giver and the receiver. The giver of the secret intends the holder to keep it, being for the benefit to the third party should not have it, but the truth is that anything that involves the use of public money is the business of the elected member. The executive is answerable to the elected member for what is done with the resources of the government. The executive must not hide its actions behind the glib and easily trotted-out refusal on the basis of commercial confidentiality. What can be confidential about details of a contract that has already been made? What possible reason can there be for hiding away such information, preventing scrutiny by parliament? In the interests of transparency and to support the intention of progressing the democratic process, let us examine the possibility of taking this a step further. In doing so, we affirm our determination to have good, strong, open government on the Island. I beg to move that leave be given to me as far as the Audit Act is concerned.

The Speaker: Hon. member for Douglas East, Mrs Cannell.

Mrs Cannell: Mr Speaker, in the interests of open and honest government, I am privileged to second, sir.

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

Mr Downie: I have no problem in supporting the member in his wish to introduce this Bill, but I would say, having listened to his remarks about progressing the democratic process, that I am not aware that any information is kept from members. I deal in a department which has a tremendous number of requests for financial assistance. We are privy to seeing lots of people's business plans and their initiatives for their business.

If a member came to see me on an informal basis and asked me for information about that company, I would have no problems at all in giving that particular member information, albeit on a confidential basis (**Several Members:** Hear, hear.), but I cannot, and I will not, have the entrails of a person's business or their application discussed on the floor of this hon. House or in Tynwald Court. As soon as we start doing that, hon. members, you will not have any applications for assistance for new business in this Isle of Man; people will shun away from development here. The situation applies in the UK. Information is available for members of parliament and other people connected on a confidential basis, but you do not expect people to get up at Question Time in this hon. House and discuss personal details and give away trade secrets to competitors, similar to the situation that we have experienced a number of times in

the past. And when a principal of a fledgling company appears in front of his bank manager and the bank manager says, 'Are these allegations that have been made against your company in the House of Keys true? Because if they are, I am going to have to withdraw my financial support.', is that the way we do business in this hon. House, hon. members? I do not think it is.

I have no wish to stand here and make an objection to the hon. member for Onchan bringing forward this Bill. You can have as much transparency as you like, but at the end of the day, if you get yourselves into a situation where you want to have access to everybody else's business and broadcast it all over the newspapers or all over national radio, I think the economic development for the future of this Island must be a matter of some severe concern. Now, I would ask hon. members to have regard for that particular area. While we are at it, are we going to also subject this legislation to people's medical records and people's sickness and disputes involving medicine as well, or are we just limiting it to financial situations? I have a lot of concern when I hear the member and where he is coming from at times. He seems to be hell-bent on trying to destroy the credibility of this Island and a lot of the very good work that has been done by a lot of departments. The Isle of Man's economy is flourishing and it is looking well, but we seem to be getting involved in a vendetta here against all sorts of business. There is a requirement, whether the hon. member agrees or not, for confidentiality in business and in business matters. I personally do not have a problem. There are a number of checks and balances in the system: we have internal audit; we have external audit; there are select committees; there are all sorts of opportunities to scrutinise departments and members and ministers with various areas of responsibility already. But please, hon. members, do not let us have a situation where, on every issue, the entrails of the animal are thrown all over the floor here for everybody to dissect and the world and his wife to know what is going on. I do not think that is really what we should be looking at.

If the hon. member wishes to pursue this Bill, I have no objection, and I just hope that, when he comes back with the substance of the matter, it is not going to cause irreparable damage to the credibility of the Island and the actual businesses that we are trying to promote.

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

Mrs Hannan: Thank you, Vainstyr Loayreyder. I will, in this particular piece of legislation, support the member's right to introduce the legislation, I think in the same way as I supported the previous leave to introduce. I would hope that the member will bring forward his legislation so that it can be commented on as he is putting this legislation together, because I think it would be helpful, not only for us, but I think also for businesses, to see the actual thinking as it is going along.

It is our responsibility to scrutinise. It is our responsibility to represent the people in looking at the issues of the day, in seeking information and in seeking advice maybe for constituents on a number of issues, and if this legislation, the Audit Act, needs strengthening, then yes, let us look at it to see if it should be strengthened. Now, there is some information that is out there. People doing business with us: is it the right sort of business? Is it the business that can actually be supported? Could we get better value for money in a different way to doing business with, maybe, one or two limited companies? Are we doing the best for our people in entering into agreements with some of these companies, whether it be to provide services, whether we support businesses or whatever, whether people apply for grants and whether they actually have the funding, the actual commitment and the interest in doing what is best with the funding that they get?

The previous member, the Minister for the Department of Trade and Industry, suggested that these were all in place - your scrutiny and audit and all the rest of it - and I would suggest that they are not. I would suggest that audit looks at how the money is spent and whether the directives that we heard about before, during Question Time, were always all complied with, but

to be absolutely certain about every penny that is spent with anybody outside government, I would suggest that we would have to have a much bigger team to look at the legislation that is being used to support a particular piece of legislation or the policy: is the policy in place, has the policy had the proper scrutiny and has the policy actually been supported by Tynwald along with all the legislation that we are acting on as well? And I would suggest that some of us do not even know the legislation. The member just received permission for leave to introduce legislation dating back to 1919. Do we all know what legislation 1919 or 1916, with the Local Government Consolidation Act, brought in? Do we know each and every piece of that legislation that is still on the statute book, and is it being complied with? I would suggest that maybe we do not, and therefore I think there are a number of issues here that should be dealt with.

Maybe a private member's Bill is not the way to deal with it, and should it get a second reading, then this particular piece of legislation could in actual fact - that is just section 8 - go to a select committee of the House, but alongside of that the government can also do some research into how they can amend section 8 and they could then make representations to the member if the Bill got a second reading. I would hope that we could all have an open mind on how this legislation should progress and whether section 8 should be amended, and I would hope that members will support the introduction of this and give the member for Onchan some work to do during the summer. Thank you.

The Speaker: Hon. member for Ayre, Mr Quine.

Mr Quine: Thank you, Mr Speaker. I have no difficulties whatsoever in giving my support to the motion in the name of the hon. member for Onchan, sir. There are just one or two comments that I would make - perhaps he will find them helpful, perhaps not. The first one I would make, in common indeed with one of the points made by the hon. member for Peel, is that I am just wondering whether section 8 of the Audit Act may be too narrowly based for what the member is trying to achieve. That is a matter that will come out, I suppose, when he gets into discussions with the law draftsman, but I have that reservation that it may be too narrowly based.

There are two further points I would make. I do not think we are going to be setting new precedents or breaking new ground if some of the matters which have been spoken of by the hon. member for Onchan should be put into statute. Certainly, going back seven or eight years - Mr Speaker, you probably recollect - we did, in fact, set out with a Freedom of Information Bill, on a private member's Bill. We set out to produce such a Bill. I think that because the general election came along or whatever it was it was not carried through - I forget now - but certainly we had it in Bill form, and it may be interesting to the hon. member just to have a look at that Bill and see if there are certain aspects of that which address some of his concerns. Apart from that, in terms of information from government in relation to financial and other matters, of course going back to September 1996 and as a consequence of debates in, I think, another place actually, the Council of Ministers, was required to produce a code of practice on access to government information, which has been in being ever since 1st September 1996. It deals with a whole range of matters: the circumstances under which members and the public may be able to, or can, obtain information on government activities and government expenditure. The provisos in relation to and these matters of commercial confidentiality are all spelt out in this code of practice, and it goes beyond that because, in fact, it allows for an appeal in respect of the denial of information to a commissioner - I think it is the High Bailiff. So, I suspect that what the hon. member is trying to achieve is, in large part, either already identified within that Bill we had on the freedom of information, which in turn, of course, has been overtaken by the data processing legislation, in part, and certainly I suspect a very large part of what he is trying to get is no more and no less than a transference of provisions in this code into statute.

I do not think this is earth-breaking and there are no reasons why - and I have no indication that the Council of Ministers would do so. . . I do hope they will go along with this support for the

Bill, which indeed at least one minister has indicated, because it may, in fact, be better from a public perspective and from our own perspective if it was properly embodied into statute as the basis of debate through the normal statutory processes, rather than working from a code that has simply been produced by an arm of the executive. So, I have no problem whatsoever in supporting the hon. member, and I hope the identification of one or two of these documents may be helpful to him during the summer, when he is doing his research.

The Speaker: Hon. member for Rushen, Mrs Crowe.

Mrs Crowe: Well, I am sorry to say that I *do* have some reservations about supporting the hon. mover. As a government, we need to do business with other businesses. It is a perfectly legitimate practice for businesses to ask that their confidentiality be respected. I think it would be quite disastrous if we entered into contracts with people in the private sector and then broke that confidentiality with which they would deal with others and which is an important part of legitimate business.

Now, the mover of this Bill, the instigator also of this £300,000 commission of inquiry that we are going through at the moment, knows -

Mr Karran: Not £418,000 like the International Business School -

Mrs Crowe: Oh, right. The hon. member knows that matters of this nature, as the Minister for Trade and Industry has very firmly stated, can be discussed with any minister or any department as long as the matters are treated in confidence. I think the mover, at times, gets confused with what 'the public interest' is and what is of interest to the public - two different things. We are elected to protect the public purse; that is what we are here to do and, until we are found to be doing otherwise, should be above that criticism. Not only do departments have to go through thorough scrutiny of every contract that they enter into on a commercial basis through financial regulations, this then is also assessed by Treasury and once again gets scrutinised. We then go through the internal audit process annually and, on top of that, independent external auditors evaluate all of these matters.

I do believe that this is very dangerous ground to be going on. We need to do business with the private sector. We need to respect those firms that do business with government. It is perfectly legitimate, in the business place, to respect the confidentiality of those people you deal with, and I think it would be a very sorry day when details of this nature would be discussed on the floor of the House. So, I am sorry; I do feel that the public purse is rightly protected by all the financial regulations that are in place at the present time and I do not feel that this Bill would be a necessary, or even a worthwhile, step forward.

The Speaker: Hon. member for Onchan, Mr Karran, to reply.

Mr Karran: Vainstyr Loayreyder, I thank my seconder for giving the opportunity for this issue to be debated. I think that we do not differ from the hon. member for West Douglas in the fact that I do not want the entrails of the goings-on in companies' private business being debated over the airwaves on Manx Radio. I do feel that it is important that we do know who we are dealing with and who the beneficial owners of such institutions are, and I do think that we do want to make sure that we do not have the absurdity where you can have somebody who is a competitor actually paying through his taxes to give support to another, simply because of this air of secrecy and lack of transparency, and that is where, I think, we both disagree in this hon. House with the hon. member for West Douglas. I do not want to know the commercial secrets of any company; what I do want to know, as a member of parliament, is what it is the right of a member of parliament to know about where public money is going. There is a big difference, and I think the hon. member appreciates that.

I thank the hon. member for Peel for her support in allowing me the opportunity to proceed with this piece of legislation, and I do agree with the points that the hon. member for Ayre has

discussed about there having been other initiatives in the past, but the issue of freedom of information is not why I am putting this down; the reason why I am putting this down, as a senior member of this House, is because of the way we have been gradually pushed away from being able to get access to the workings of this hon. House, especially when we are dealing with the issue of public money. I believe that parliament has a right and members of parliament have a right, as I put in my opening remarks, because they are the guardians of the electorate's right to know where the money is going - not just the Council of Ministers, but every member in this hon. House - and I am disappointed that people . . . When they cannot win, they have got to distort. The fact of the matter is that I do not want to know the private business that is nothing to do with government; what I do want to know is where the taxpayers' money is going.

I am not surprised by the hon. member for Rushen's input into this Bill. I think it is very disturbing when we talk about multi-million pound projects that have millions of pounds' worth of revenue implications and hon. members are refused the details of what is going on, implications that will affect her grandchildren, who will start their working lives paying for the information that is to do with that contract. I believe there is a big difference between the private business of individuals who do business with government - I am not interested in that - and business where there is public money involved. Where there is public money involved, the electorate outside this hon. House have a right to know, and if they do not have a right to know, then the members of this hon. House, because of their mandate, have a right to know. And for the hon. member to talk about being the elected protector of the public purse - well, I am sorry, you do not do a very good job of it, and I think you will find that the vast majority of people outside this hon. House would support you and you would be surprised at the number of people who would support if you . . . And I believe that the fact that we get ripped off so much is because of this secrecy and this lack of transparency.

I hope this hon. House will support leave to introduce. I am disappointed that the Minister for Local Government does not support me, but then there are always very fatal cases of 'shirveishaghitis', and I hope that other ministers will see the importance of the fact that members of parliament must scrutinise. They cannot scrutinise if they are not given the information to do so, and that is what is happening: there is this dark curtain coming down, which is stopping members functioning as members of this hon. House. I think it is important and I hope this House will support my leave to introduce.

The Speaker: Hon. members, the motion before the House is leave to introduce at item 5.2, in the name of the hon. member for Onchan, Mr Karran. All those in favour say aye; against, no. The ayes have it.

A division was called for and voting resulted as follows:

For: Messrs Anderson, Cannan, Quine, Rodan, Quayle, Rimington, Gill, Houghton, Cretney, Duggan, Mrs Cannell, Messrs Downie, Shimmin, Mrs Hannan, Mr Karran and the Speaker - 16

Against: Mrs Crowe, Messrs Henderson, Braidwood, Singer, Corkill and Earnshaw - 6

The Speaker: Hon. members, the motion carries with 16 votes in favour and 6 votes against.

Suspension of Standing Orders — Motion Lost

The Speaker: Now, hon. members, that concludes the business of the House. The hon. member for Michael did endeavour to raise an issue, so I will go to him first before I conclude the adjournment.

Mr Cannan: Mr Speaker, this is the final sitting of this legislative year and we have before us a large agenda. I have before me the House of Keys agenda for 27th June, 2000: the House

adjourned for lunch, reassembled at 3 o'clock and finally adjourned at 5.35 p.m. in order that the business before the House could be considered. There is here a leave to introduce; there is a matter, a third reading, which would provide legislation immediately at the recommencement after the recess for the Legislative Council, who are complaining, as members will have seen from their question paper and agenda today, that they are not getting Bills through; and there is a request here for the suspension of standing orders by the Minister of Agriculture, who is seriously anxious to get the Agriculture (Miscellaneous Provisions) Bill through. We have had comments this morning from the Minister for Local Government that legislative business is not progressed, and I would like to move the suspension that, in accordance with previous practice when we have a lot of business before us, and in particular starting with a leave to introduce, the House be returned to sit at 3 o'clock.

The Speaker: Right, hon. members, we do need to suspend a number of standing orders here, because, as hon. members will be aware, I raised this issue at the last sitting of the House a month ago - that was on 28th May - and sought the approval of the House that the House would sit for the morning only because of the Speaker's lunch and so the members did not have to come back afterwards. It is clearly a matter in members' hands. I would advise hon. members that, if you were minded to come back, I would suggest that the time should be 3.30 p.m., because 3 o'clock would not be practical as the arrangements have been made allowing for the decision that was made by the House. The hon. member for Michael, or any member, will have to first move that standing order 70(1) be suspended, and 70(1) says that no resolution shall be rescinded except by a vote of at least 16 members and after not less than 24 hours' previous notice of the motion to rescind has been given to the House. We have had no notice given, so first we will need to suspend that standing order. I presume the hon. member for Michael would like to suspend that standing order.

Mr Cannan: As I have gone down this road, sir, yes, I move:

That standing order 70(1) be suspended.

And, in accordance with what you say, I move that the House gives serious consideration to returning, as has been done in previous years.

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

Mr Karran: I would second and reserve my remarks.

The Speaker: Right, hon. members, the motion before the House is that standing order 70(1) be suspended to enable us to consider suspending the decision that was made previously. All those in favour say aye; against, no. The noes have it.

A division was called for and voting resulted as follows:

For: Messrs Anderson, Cannan, Quine, Rimington, Gill, Mrs Crowe, Messrs Houghton, Cretney, Mrs Cannell, Messrs Shimmin, Singer and Karran - 12

Against: Messrs Rodan, Quayle, Henderson, Duggan, Braidwood, Downie, Mrs Hannan, Messrs Corkill, Earnshaw and the Speaker - 10

The Speaker: Hon. members the motion fails, with 12 votes for and 10 votes against. Therefore, the House will adjourn. Hon. members, I look forward to receiving you at 1.15 p.m. for sitting down - (*Laughter*) I was looking at the clock when I said that, so we will have to transport ourselves pretty quickly, but we will be sitting down for our lunch at 1.45 p.m. Hon. members have their invitation to be there as soon as they can after 1.15 p.m., and I look forward to receiving you at the Empress Hotel. The House will now stand adjourned until the sitting of the Tynwald Court at St John's on 5th July, Tynwald Day. Thank you, hon. members.

The House adjourned at 1.16 p.m.