

# **REPORT OF PROCEEDINGS OF THE HOUSE OF KEYS (QUESTIONS)**

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**Douglas, Tuesday, 3rd December 2002  
at 10.10 a.m.**

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Present:

The Speaker (the Hon J A Brown) (Castletown); Mr D M Anderson (Glenfaba); Hon A R Bell and 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); Mr J R Houghton and Mr 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 P Shimmin (Douglas West); Mr A C Douglas (Malew and Santon); Hon J Rimington, Mr Q B Gill and Hon Mrs P M Crowe (Rushen); with Mr M Cornwell-Kelly, Secretary of the House.

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**Refugees – Possible Influx – Plans for –  
Question by Mr Quine**

Question 1. The hon. member for Ayre (Mr Quine) to ask the Chief Minister:

- (1) *Given the number of refugees who have entered the United Kingdom, and the absence of immigration control between the United Kingdom and the Isle of Man, what is the likelihood of an influx of refugees into the Isle of Man;*
- (2) *what policies, strategies and contingency plans have been formulated to deal with any such threat, in particular what arrangements have been agreed with the United Kingdom; and*
- (3) *what assessment has been made of the costs relating to housing, education, health and social costs which could fall on the Island in the eventuality of an influx of refugees?*

**The Speaker:** Hon. members, I call on the hon. member for Ayre, Mr Quine.

**Mr Quine:** Thank you, Mr Speaker. I beg leave to ask the question standing in my name, please.

**The Speaker:** I call on the hon. member for Onchan, the Chief Minister, Mr Corkill.

**Mr Corkill:** Thank you, Mr Speaker. Whilst it is true that there has been a considerable increase in the numbers of foreign nationals seeking refugee status in the United Kingdom in recent years, this trend has not extended to the Isle of Man. This is due primarily to the fact that there are no scheduled air or sea carriers operating to the Island from mainland Europe. Most refugees claim asylum at the immigration office at their port of entry in the United Kingdom. In the event that such an individual were to travel on to the Isle of Man and claim asylum, the immigration office has an arrangement with the United Kingdom Government which enables the return of asylum seekers to the United Kingdom. In the circumstances, therefore, it is presently envisaged that there is very little likelihood of there being an influx of refugees into the Isle of Man. For that reason, there has been no specific work undertaken to develop contingency plans or determine what costs relating to housing, education, health and social services would fall on the Island in such an eventuality.

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

**Mr Quine:** Chief Minister, you have advised that the number of illegal immigrants detected on the Island by the police has gone up from a single case in 1999 to nine cases for the first 11 months of this year. Given that there are no dedicated police resources to look for illegal immigrants and given the UK backdrop, is it not highly probable that there are a considerable number of illegal immigrants on this Island?

**Mr Houghton:** Hear, hear.

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** Mr Speaker, the questioner, of course, refers to refugees who claim asylum. Illegal immigrants are another category, and indeed I have circulated to hon. members figures supplied by the police with regard to illegal immigrants who, like asylum seekers, have also been returned to the United Kingdom, so I think my answer holds true, Mr Speaker.

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

**Mr Karran:** Vainstyr Loayreyder, would the Ard-shirveishagh not agree that this is just carrying on the usual government policy of having to react after there is a major problem and crisis on the Island? And does he not agree that the questioner is trying to get something to be proactive instead of reactive?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** Mr Speaker, to date there have been only two cases of individuals claiming asylum on the Island, and in both cases the individuals concerned were returned to the United Kingdom for their cases to be considered. That is by no means a crisis.

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

**Mr Houghton:** Thank you, Mr Speaker. Is the hon. Chief Minister aware of the epidemic of burglaries and theft throughout southern England - in particular southern England, of course - by refugees, illegal immigrants, asylum seekers, call them what you will? When these people are caught - that is not very often, but when they are caught - there is no point in prosecuting them; they are just either returned back to their barracks or they are returned back to the other side of the Channel. Can the hon. Chief Minister make note of the concerns of everybody on this Island and make some definitive plans -

**The Speaker:** Hon. member, could I remind you it is not a statement, it is a question. Please ask a question.

**Mr Houghton:** May I ask if the hon. Chief Minister would make contingency plans in order to make sure there is no influx of refugees, illegal immigrants or asylum seekers to this Island, sir?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** I would just wish to say again that, with regard to asylum seekers, Mr President, there have been two cases, and they have gone back to the United Kingdom, where they are dealt with along with other asylum seekers. With regard to illegal immigration, as I have said, there have been certain people apprehended. Of course, they are breaking the law, therefore it is a matter for the police to enforce such things if it is brought to their attention.

I want to also make it clear that there is this arrangement with the United Kingdom and other third countries, and that this is an informal agreement. This is based on custom and practice, rather than laid down in any formal agreement, and can I say that officials from the Isle of Man and the Channel Islands, immigration officers, are currently in dialogue with the United Kingdom authorities with a view to clarifying and formalising responsibilities for the future. The issue, of course, is more significant to the Channel Islands, due to their proximity to mainland Europe and their communications directly to that continent.

Can I say again that I think, and I have said this in previous questions in another place, that we have to be careful to determine whom we are talking about at any one moment. 'Illegal immigrants' are those foreign nationals who have entered the Island without valid leave, or they may have breached their conditions of leave or indeed may have overstayed their period of leave. They are only classed as 'asylum seekers' or 'refugees' when they seek asylum in a foreign country because of fears of ill-treatment in their own.

So, asylum seekers are dealt with by the United Kingdom authority and, in the unlikely event that we have a rise in people claiming asylum on the Island, they will be dealt with that way. With regard to illegal immigrants, who the hon. member for North Douglas is saying are responsible for a wave of crime in the south-east of England, I cannot comment on that. It is not a matter for me to comment on that but with regard to illegal immigration, whether they are in the UK or in the Isle of Man, they are committing an offence, and the authorities will deal with it in the proper way.

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

**Mr Quine:** Whether it relates to illegal immigrants or refugees, is it UK Government policy, when they grant temporary admission to the UK, to expressly exclude the Isle of Man as an area in which they may reside? Of course, they do it in certain cases, but is it their policy and has it been applied in respect of many cases in recent times?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** There are situations in the United Kingdom, Mr Speaker, where foreign nationals who have claimed asylum are granted temporary admission, and there are conditions to that. That generally, I understand, means that the authorities need to know where they are. Those conditions could exclude the Isle of Man, but I cannot comment as to whether they do in every such case. I want to make it clear, Mr Speaker, that when such individuals who have broken their conditions are discovered on the Island, they are removed to the United Kingdom, and that was clear in the letter that I circulated to hon. members.

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

**Mrs Hannan:** Thank you very much, Vainstyr Loayreyder. Could I ask the Chief Minister: would he not agree that we are a compassionate community and that we welcome people from many areas of the world to come and live here, that we do not discriminate and that some of the comments this morning have been discriminatory? And could I also ask the Chief Minister if he agrees with me that sometimes even our own people commit offences and have to attend a court and maybe be taken to prison?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** Yes, Mr Speaker. I think it would be quite wrong to have a belief on this Island that all crime on the Island is committed by people from another place, whether they are illegal immigrants or from outside of these shores. Anyone who visits the Probation Office and sees the list of names there will see that many of them are Manx names. Therefore, in terms of crime, we have our own fair share, I would suggest.

**Mr Houghton:** And we do not want any more.

**Mr Corkill:** Certainly the hon. member for North Douglas says, 'We do not want any more.' Yes, quite right, we do not want more crime, but to assume that crime on the Island is purely from external situations I think would be misleading and perhaps give us a false feeling of security when, in fact, some of the problems we have are indigenous. Can I just say again that asylum seekers, Mr Speaker, are dealt with within the United Kingdom. If they are successful in their application to remain within the United Kingdom, they will, by UK immigration law, then be eligible to travel within that common travel area, but only when that process has been cleared.

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

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**Mr Karran:** Vainstyr Loayreyder, would the Ard-shirveishagh not agree that the hon. member for North Douglas is wrong in his assumption not to exclude the issue of drug abusers in his wave of crime in the south of England? And would he also not agree that the issue is that we do not want to see us have a repeat of what we have seen on the Island in so many cases where we have to react to a situation? (**Mr Houghton:** Hear, hear.) And will he not agree that, as a priority, we should have a residency mechanism in this Island, (**A Member:** Hear, hear.) not just for this issue, but for all the other issues as well? And would he also confirm how many people are actually looking at this problem? Is there not the answer that there are none so blind as those who do not look?

**Mr Houghton:** Hear, hear.

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** I think the Isle of Man Government is continually vigilant in changing patterns, Mr Speaker. There are a couple of points in that supplementary that I would like to cover. As I have already said, the arrangement that we have with the United Kingdom and other third countries is essentially an informal one, and the Channel Islands and ourselves are dealing with immigration officers at the moment within the UK authorities with a view to making that situation more formal, so that the responsibilities are clearly laid down and so that the goalposts cannot move. But those goalposts, at this stage, have not moved and, as I have said, all these people are returned to the United Kingdom.

The hon. member for Onchan raises the issue of the residence Act in relation to what is an immigration question, and the two are disconnected. Residence does not involve any controls at ports of entry and does not place any –

**Mr Karran:** You can put people off the Island.

**Mr Corkill:** - additional controls or checks on foreign nationals. The hon. member says that the residence Act can put people off the Island, and he is mistaken in that respect.

**The Speaker:** Hon. member for Ramsey, Mr Bell.

**Mr Bell:** Thank you, Mr Speaker. Could the Chief Minister say whether, in fact, he is aware of any evidence that illegal immigrants or would-be asylum seekers have, in fact, been convicted of any crime at all in the Isle of Man? And is he also aware of whether or not the police have any suspicions as to whether they are involved in fermenting criminal activity on the Island?

**The Speaker:** Chief Minister to reply. (*Interjection by Mr Karran*) Hon. member for Onchan, Mr Karran, please.

**Mr Corkill:** Thank you, Mr Speaker. Can I just say, in relation to Mr Bell, hon. member for Ramsey's statement there, that the people who have been returned to the United Kingdom and who are illegal immigrants by the nature that they are here illegally have committed an offence, (**Mr Houghton:** Hear, hear.) but my understanding is that they have been discovered and returned very soon after their arrival, and indeed there are no reports of them actually having gone into any criminal activity whilst they have been on the Island. It is not a big issue for the Island in as much as the numbers of these people are small (**A Member:** Hear, hear.) and that was clearly stated in the letter that went round. I think a number of people, perhaps, are confusing new arrivals to this Island who are here quite validly, taking up employment within this Island, with illegal immigrants, and I think we ought to be aware that there are a number of people who perhaps do not look as though they belong on this Island but who are here quite legally; they are EU citizens and they have work permits to work here.

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

**Mr Quine:** To what extent does the processing of a work permit require verification of citizenship/immigration status? And can he confirm that the Lieutenant-Governor has power to issue directions to the Isle of Man Government in relation to the grant of a work permit in certain circumstances? And have any such instructions been issued?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** I think I may well have to confirm some of this answer at a later date to the hon. questioner. This supplementary question relates to work permits. My understanding is that, in fact, to obtain a work permit, nationality and status of the individual is a relevant part of the questioning process, and permits will not be issued to people who are not legally citizens. Can I say that if they are illegal immigrants, they will not get work permits, it is as simple as that, because their nationality status has to be cleared as part of that process.

With regard to the powers of the Lieutenant-Governor in relation to this, of course he acts on behalf of the Secretary of State with regard to UK immigration law, which is extended to the Isle of Man in the main, although there are some elements of it which are excluded from Manx law because they are not relevant. I think his powers are exercised in relation to international applicants who are here for the short term, perhaps educational courses, and they do have the right to work, I believe it is 20 hours a week,

without a permit. This is something that was highlighted in the immigration document which the Council of Ministers circulated to hon. members, and it is something which the Department of Education is involved with in regard to the examination of educational establishments where there are foreign students. I think it is an area where we could be, and are, addressing attention to the fact that these people do not need work permits in this particular situation. That is something that we may consider to be a loophole, but then I would just say to those hon. members who are so keen on the residence Act that, in fact, most of the employment controls regarding work permits are done away with under that regulation.

**The Speaker:** Hon. member for Rushen, Mr Gill.

**Mr Gill:** Thank you, Mr Speaker. Could I ask if the Chief Minister could advise if there are any specific exclusion orders or conditions placed on asylum seekers, as they are being processed in the United Kingdom, to exclude them or to relate to travelling to the Isle of Man?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** I am aware, Mr Speaker, that they have restrictions on movement as part of their 'licence' as it were, their conditions. Whether they specifically relate to excluding the Isle of Man, I will have to inform hon. members at a later date; I do not have that information before me. But they are given a limited circulation as part of the process.

**The Speaker:** Final supplementary on this question. I turn to the hon. member for Ayre, Mr Quine.

**Mr Quine:** What action is the Isle of Man Government taking at this time, or intending to take, to strengthen our position to deal with illegal immigrants/refugees? In particular, what discussions have been held with the UK Government, and to what extent have those discussions embraced contingency plans?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** I said in my opening comment, Mr Speaker, that although it is true that there has been a considerable increase in the numbers of foreign nationals seeking refugee status in the United Kingdom, this trend has not extended to the Isle of Man. This is quite simply due to the fact that there are no scheduled air or sea carriers operating to the Island from mainland Europe, so they are not arriving here directly from the same sources from where they arrive directly into the United Kingdom. So, in that respect, we are protected. If, notwithstanding that, asylum

seekers or, indeed, illegal immigrants turn up within the Island, then I think I have made it clear that there is an arrangement. This arrangement is referred to as the 'safe third country system', and it is applied informally on the Isle of Man by agreement with the United Kingdom. I have also said that, in terms of being prepared, we are in discussions with the UK authorities to make it a formal agreement rather than an informal one, so that these people can be returned to the United Kingdom, as indeed they are now, the few that come, and that process will continue. There is no changing to the status quo; this is not a new issue. From time to time, illegal immigrants may turn up on the Island, and they are returned to the United Kingdom.

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### **Banknotes in Circulation – Question by Mr Singer**

Question 2. The hon. member for Ramsey (Mr Singer) to ask the Chief Minister:

- (1) *Is there a government policy to reduce the number of £1 notes in circulation; and*
- (2) *what was the estimated number of (a) £1 notes and (b) £1 coins in circulation in the years 2000, 2001 and 2002?*

**The Speaker:** I call on the hon. member for Ramsey, Mr Singer.

**Mr Singer:** Thank you, Mr Speaker. I beg leave to ask the question standing in my name.

**The Speaker:** Hon. member for Onchan, Mr Corkill, the Chief Minister, to reply.

**Mr Corkill:** Thank you, Mr Speaker. There is no policy to deliberately reduce the number of £1 notes in circulation. The present policy is to meet the public demand for either £1 notes or £1 coins, both to provide a service to the public and to maximise the amount of Manx currency in circulation. The estimated numbers in circulation for the year 2000 were £1.75 million; in 2001, £1.72 million; and, in 2002, £1.71 million. In comparison to notes, the estimated number of £1 coins in circulation for the year 2000 was £2.31 million; in 2001, £2.78 million; and, in 2002, £3.17 million.

**The Speaker:** Hon. member for Ramsey, Mr Singer.

**Mr Singer:** I thank the Chief Minister for his answer. Whilst he says that there is no policy to reduce the number of £1 notes in circulation, it is quite clear from the figures he has given that the numbers of £1 notes are reducing, whilst the numbers of £1 coins are

considerably increasing. How much is this reduced number of £1 notes due to pressure from large multiples who choose not to use notes, and how much is due to the cost of producing and replacing the £1 note? It is quite clear from what he says that the numbers of £1 coins are being produced at a much greater rate than £1 notes.

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** I am sure, Mr Speaker, that there are those members of the public who prefer £1 coins in their pocket and those who prefer £1 notes in their pocket. They have the choice, and they are both fully in circulation for the consumer to demand-lead this situation. That is why I said that there is no policy to deliberately reduce, but it would appear from the figures that there is a very slow decline in the circulation of £1 notes, and yes, there is an increase in the number of coins.

With regard to pressure from large multiples, they also are customers, I suppose, and it is a matter for them to arrange their business affairs in the way that they see fit. I am sure any good business which wants to look after its customers will provide change in the form that the customers are demanding.

**The Speaker:** Hon. member for Ramsey, Mr Singer.

**Mr Singer:** Whilst I understand what the Chief Minister is saying, does he not think that the £1 note is considered, certainly by the people of the Isle of Man, as perhaps one symbol of our independence? And as only Manx notes are issued from all but two hole-in-the-wall machines as a policy, do you not think that we should be pressing, as a government, that £1 notes are first-choice issue from banks on a similar basis?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** The only policy which is of real importance in this area, in my view, Mr Speaker, is that banks and all financial institutions be encouraged as much as possible to use Manx currency, whether it is £1 notes, £5 notes or whatever, coins and notes. By having the maximum amount of Manx currency in circulation, it benefits the Manx exchequer to a great degree, and I am sure the hon. Minister for the Treasury, Mr Bell, would wish me to say that, in fact, the more Manx money that is in circulation, the better. Whether it is in £1 notes or £1 coin form is not relevant in that respect; as I have said, that is a consumer-driven issue.

### **Council of Ministers – Reshuffle – Question by Mrs Cannell**

Question 3. The hon. member for Douglas East (Mrs Cannell) to ask the Chief Minister:

*Is it your intention to have a ministerial reshuffle during this term of office?*

**The Speaker:** I call on the hon. member for Douglas East, Mrs Cannell.

**Mrs Cannell:** Thank you, Mr Speaker. I beg leave to ask the question standing in my name.

**The Speaker:** I call on the hon. member for Onchan, Mr Corkill, the Chief Minister.

**Mr Corkill:** Thank you, Mr Speaker. I think it is normal, during a five-year term of office, for probably at least one ministerial reshuffle to occur, and that is normally in response to elections within Tynwald Court and also by-elections in the constituencies. I can see no reason why this term of office should be different from any other in that respect.

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

**Mrs Cannell:** Thank you, Mr Speaker. Is it not also a fact, Chief Minister, that, under the Council of Ministers Act 1990, section 5(3), you yourself, as Chief Minister, can be assigned to a department if you suddenly find you have a shortfall in ministerial personnel? (*Interjections*)

**The Speaker:** Hon. member for Onchan, Chief Minister, to reply.

**Mr Corkill:** The hon. member takes me by surprise with that question. The fact is that we have a full ministerial team, they have my confidence and hopefully they have confidence in myself, and I obviously hope that Tynwald indeed echoes that thought. The issue is yes, I suppose, in exceptional circumstances, I could involve myself in a particular department. Can I say that, as Chief Minister, I try to involve myself in all the departments, and that keeps me relatively busy, along with other engagements. The thought of running a department on top of that would fill me with fear and trepidation, as I would not know where the time would come from. I do not feel or see the need to have that duplication of effort at this point.

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

**Mr Karran:** Vainstyr Loayreyder, would the Chief Minister not agree and state publicly that he

accepts personal responsibility, as Chief Minister, for each and every example of gross incompetence, maladministration and scandal emerging on a weekly basis for his weak, crisis-struck government? Or will he instead be requiring several of his ministers to take responsibility for their actions and make them resign?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** Well, of course, these words that the hon. member utters we only ever hear from this particular hon. member, but of course we never have any substantive proof to back up what the hon. member says –

**Mr Karran:** You have got IRIS, you have got –

**The Speaker:** Hon. member, please.

**Mr Corkill:** - and today is no different from any other day in that respect, Mr Speaker.

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

**Mrs Cannell:** Thank you, Mr Speaker. Can the hon. Chief Minister advise the House on when he proposes to consider a reshuffle? And further, if he suddenly finds next year, following the election to the Legislative Council, that he may be short of one or two of his ministers, what does he propose to do then? Will he then use the Act of 1990, section 5(3), to take on one of the rôles himself or will he be looking to make new appointments?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** I am very pleased that the hon. questioner feels that there are ministers within the government who would be eligible, in the minds of members, to be elevated to the Legislative Council.

**Mrs Cannell:** I did not say that.

**Mr Corkill:** But with regard to making any commitment to timing or any suggestions of what changes there might be in the future, it would be quite incorrect of me to do that.

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

**Mr Karran:** Vainstyr Loayreyder, would the Ardshirveishagh then agree that if we are not going to have any accountability for incompetence within his Council of Ministers –

**The Speaker:** Hon. member, could I just ask the hon. member: the question on the order paper is quite specific, it is not about accountability.

**Mr Karran:** Vainstyr Loayreyder, it is about whether there should be a ministerial change and, as far as that is concerned, that is why the question is down, as far as I can see. Am I to be heckled from the chair?

**The Speaker:** Hon. member, can I remind you that the chair is here to do a job on behalf of the House, and it would be easier for the chair if the hon. member also applied standing orders to his mind when he asks questions. If the member has a question, the member can ask a question but not make a statement. Hon. member for Onchan, Mr Karran, do you wish to ask a question?

**Mr Karran:** If it is going to be under your rules maybe not, sir. There seem to be different rules in this House.

**The Speaker:** Hon. member, I would hope you would show some respect for the chair. The hon. member for Middle, Mr Quayle.

**Mr Quayle:** Thank you, Mr Speaker. I merely would like to ask the Chief Minister: in considering the elections to the Legislative Council next year, would he envisage more than one minister sitting in the Legislative Council, or would he restrict the Council of Ministers to just being represented on the Legislative Council by the existing one minister?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** I think that is a very incisive question to this particular situation, because obviously, when the situation changes where perhaps you could have a minister being in post, a member of the Keys and being then elevated to the Legislative Council, there is, I am very aware, a feeling that there should not be, perhaps, ministers in the Legislative Council, (**Several Members:** Hear, hear.) but if one looks historically, there have been times over the years since ministerial government was set up where there have been two ministers in the Legislative Council. More recently there has been one. I would say to hon. members that if all the ministers are in the House of Keys, then that increases the 'block vote', as it is referred to, within the House of Keys, and there needs to be a balance. Any Chief Minister, I would hope, whether it is me or any future Chief Minister, would have to take that balance into account, and so I thank the hon. member for his question. I considered, when selecting ministers for this team, that there were not too many in the Legislative Council but, at the end of the day, I think the people of the Isle of Man deserve the best people

for the job. That is in the view of the current Chief Minister or future Chief Ministers to make that decision, and the responsibility does rest with them in making sure that the balance is right between the branches.

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

**Mrs Cannell:** Thank you, Mr Speaker. Would the hon. Chief Minister agree with me that it is not just ministers of his government who are eligible for election to the Legislative Council, but indeed it embraces all members of this hon. place and also those appropriately thought of outside of this hon. place? And further, can he expand on the answer that he has just given to the former questioner in terms of policy? Do I understand correctly, Chief Minister, that you do not have a policy on those elevated from your ministry in terms of retaining those ministries when or if they are successful in attaining a seat in the Legislative Council? Is there no clear policy on this?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** Just by way of clarification, Mr Speaker, it was the hon. questioner herself who went down the road of surmise as to what would happen if current ministers were elevated to the Legislative Council, so I have answered in that vein. Obviously, all members within this House, by the determination of this House, and indeed members of the general public, are available for election to the Legislative Council. The people of this Island deserve the best people in the best positions to drive this Island forward in the areas in which we need to drive it forward and to have sensitivity in the areas where we need sensitivity. That is a democratic principle which is far bigger than any individual, far bigger than myself, with regard to how the Island politically arranges its affairs. So, I can certainly concur with what the hon. questioner says. But with regard to expanding on what is a whole basis of surmise this morning, I think it would be quite silly to do that, Mr Speaker.

**The Speaker:** Hon. member for Ramsey, Mr Singer.

**Mr Singer:** Thank you, Mr Speaker. Has the Chief Minister not got a publicly stated position at a previous election of not supporting the policy of ministers in the Legislative Council, and has he therefore changed his view?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** I certainly have not stated that. Certainly, I can remember at a requisition meeting

being asked that particular question and stating that it was probably preferable not to have too many ministers in the Legislative Council, but I also said that the House of Keys needs to be cautious about having all the ministers in one branch, because it is, as members have criticised us from time to time, quite a powerful lobby.

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

**Mr Quine:** Irrespective of whether any future minister should be in the Keys or the Council, what importance does the Chief Minister attach to ministers having the endorsement and mandate by way of popular election?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** The hon. member is now putting us back into a debate that we have had in the previous House in terms of constitutional legislation. Can I just say that, as Chief Minister, I will abide by the rules that are in place and, as those rules stand at the moment, they allow ministers to be chosen from the Legislative Council. This is a situation that revolves around Tynwald Court and not just this House.

**The Speaker:** Final supplementary on this question. I call on the hon. member for Douglas East, Mrs Cannell.

**Mrs Cannell:** Thank you, Mr Speaker. If the Chief Minister is aware that it is the intention of one or more of his current ministers to seek the support of this place for elevation to another place in February, does he not regard that they should make their intentions clear in terms of their accountability to their electorate now, rather than waiting until next year? Do you not think that would be the honourable thing to do?

**A Member:** Hear, hear.

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** All members of this House are accountable to the electorate, Mr Speaker. With regard to how this House conducts its affairs and elects people to the Legislative Council, that is a matter for standing orders, it is a matter for this House and it is not a matter for executive government.

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**British Airways – Cancellations –  
Register of Complaints –  
Question by Mr Henderson**

Question 4. The hon. member for Douglas North (Mr Henderson) to ask the Chief Minister:

- (1) *Are you aware that British Airways flights are still being cancelled at short notice from Ronaldsway Airport; and*
- (2) *what progress have you made in producing a public register of complaints in relation to poor customer services of British Airways?*

**The Speaker:** I call on the hon. member for Douglas North, Mr Henderson.

**Mr Henderson:** Thank you, Mr Speaker. I beg leave to ask the question standing in my name.

**The Speaker:** I call on the hon. member for Onchan, Mr Corkill, the Chief Minister.

**Mr Corkill:** Thank you, Mr Speaker. In response to the first part of the question, yes, I am aware. I have been given the latest figures by British Airways CitiExpress and the percentage of their flights cancelled to and from the Island. Can I say that, during October, 0.9 per cent or indeed 11 cancellations out of a total of 1,230 planned flights were announced. During the period 1st to 27th November, there were 1 per cent or 11 cancellations out of 1,049 planned flights. And I have the comparative figures for last year: in October of last year, 2 per cent, that is 25, cancellations out of 1,292 planned flights were announced, and in November of last year, there were 0.2 per cent, or indeed two, cancellations out of the 1,239 planned that month. In December last year - too early for statistics this year - 0.25 per cent, or in fact it was three, cancellations out of the more than 1,200 planned flights were announced.

In relation to part (2) of the question, the Air Transport Users' Council, sometimes known as the AUC, already exists as a consumer watchdog for the aviation industry, and its remit encompasses all airlines that serve the totality of the British Isles. Furthermore, displayed in our airport there are prominent notices entitled 'Passenger Rights', which set out the European Commission charter for air passengers. These notices advise passengers of their contractual rights, how they should seek to enforce those rights and who they should contact in the event of problems. Of course, in addition we have our own Office of Fair Trading, to which consumers can refer for advice and assistance - and, in fact, I know they do. Therefore, Mr Speaker, I do not intend to seek to duplicate these activities and the consumer protection provisions which do already exist.

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

**Mr Henderson:** Thank you, Mr Speaker. Would the Chief Minister not agree with me that all he has

managed to achieve in not answering my question is a shameful display of issue-dodging? The fact that he has illustrated that there were 11 flight cancellations for October alone would mean somewhere in the region of 1,000 disappointed passengers, (**Mr Houghton:** Hear, hear.) many of them businesspeople dependent on those flights. And would he further agree with me that the flights we are talking about are being cancelled at very short notice, while the passengers are actually queuing up (**A Member:** Hear, hear.) on the stands? And would he further agree that that is completely and totally unacceptable?

**Mr Houghton:** Hear, hear.

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** I am certainly dealing in facts, Mr Speaker, and the facts are that the number of cancellations is comparable to what was happening towards the end of the period of Manx Airlines' ownership of the same routes. Nonetheless, I think the hon. member knows that the Department of Transport, the Department of Tourism and, indeed, myself have been applying, and continue to apply, considerable pressure to British Airways CitiExpress to deliver a better, more cost-effective service to their customers, and indeed it is very much in the interests of the Isle of Man to make sure that we are successful in those attempts.

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

**Mr Henderson:** Thank you, Mr Speaker. Would the Chief Minister not agree with me that if he is interested in the best interests of the Isle of Man travelling public, he would be better served by making more positive statements publicly and doing more to try and rectify this situation, rather than continually saying, 'Oh, we are going to have a meeting'? Let us have something more positive than that, Chief Minister. And would you also agree that it would be a good idea to have a public register of complaints to pull all the information together from all the areas you have just mentioned, so that when you do have one of your meetings and red-tape carryings-on with British Airways, you can actually slam down a big register of consumer complaints for them to see to give your argument more weight, sir? Would you not agree with that?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** I think we are batting on the same wicket here, Mr Speaker, but, in terms of how we go about it, perhaps we have a difference of opinion. Certainly, I do not want to increase bureaucracy within government by maintaining such a register of

complaints, and that would, in fact, create a customer complaints division free of charge to British Airways. The reality is that ministers in various positions and, indeed, all members of this House, I know, have had letters of complaint. I am sure the vast majority, if not all, of those complaints have been relayed to British Airways. They are fully aware of customer dissatisfaction. So, having a central register I do not believe would actually add any weight. What we have to achieve is a working relationship of encouraging better service and of making sure that fares are affordable and that the routes to the Island are well served. Of course, if any one particular company - not necessarily British Airways CitiExpress, but indeed any other company that operates in and out of the Island - fails to deliver a proper service, then, with an open skies policy, we certainly would be welcoming other competition on the routes.

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

**Mr Karran:** Vainstyr Loayreyder, would the Ardshirveishagh not agree that the simple fact is that this hon. House supported an open skies policy, supported a doormat mentality as far as this issue is concerned, and that we missed an opportunity to buy a golden share in British Regional Airways where we would have had some input into the flights in and out of the Island? It is a matter of a missed opportunity, and it would be wrong of this hon. House to complain about this company, which is only there to make profit.

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** Just with regard to that last comment, certainly it is within our interest on this Island for British Airways PLC, as a major company, to return to profit. If they are profitable, then they will provide the services that we require, but of course globally we know they have experienced a downturn in air traffic. With regard to BA CitiExpress, which is of our local concern, can I say that there is no doormat mentality here at all. We have a situation of an open skies policy. The Isle of Man Government, the people of the Isle of Man, have all the control they need over Ronaldsway and the way it operates; they have quite enough control. Where we lack influence, of course, is where slots are allocated at major airports within the UK, and we have, as we know, been a victim of that. Having our own structure changed here within the Island will not change the influence outside of this Island, and therefore I think we must make it quite clear that in terms of the policy that was really effectively endorsed by this House only a week ago with regard to a report that a select committee brought to us, open skies is the right way forward. We are open for people to provide services from any other airport from which they wish to fly to this Island. We have to be aware of our size -

there are certain practical limitations about size of aircraft et cetera - but we are open for that. BA CitiExpress obviously have the lion's share of the routes - they were the Manx Airlines routes - and we are, on a weekly if not daily basis, through the Department of Transport, encouraging them to do better on those routes.

**The Speaker:** Hon. member for Ramsey, Mr Singer.

**Mr Singer:** Thank you, Mr Speaker. Could I ask the Chief Minister: whilst he specifies the percentage of cancellations of British Airways CitiExpress, does he not think that that should be compared similarly to the percentage of cancellations of other airlines using this Island, particularly Jersey European, to compare whether, in fact, British Airways are exceeding by a great amount the number of cancellations of other users? Does he also not think that we should take into account the number of long delays in aircraft, the fact that they do arrive but they arrive late, and the fact that British Airways have reduced the number of planes based on this Island and that the cancellations that he has talked about seem to be restricted to certain routes and not others?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** As we know, the new set-up has reduced the number of aircraft based on the Island from five to four, but I think the figures that I quoted in my original answer show that there is little evidence to suggest that more cancellations have resulted as a result of that. Obviously, BA CitiExpress, having more aircraft around, are more flexible in the way they deal with things. With regard to how BA CitiExpress compares throughout the British Isles, the service that they are currently providing is actually better than the average and is not exceptionally poor. We are, of course, blessed at Ronaldsway by having other operators coming in; even those are subject to delay from time to time, but I do not have the figures on British European that the hon. member has just mentioned. Competition is how we deliver customer satisfaction in this area.

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

**Mr Karran:** Vainstyr Loayreyder, would the Ardshirveishagh not agree that, with only two members of this hon. House, myself and the hon. member for Ayre, voting for any proposals to put some sort of controls, it is a bit rich for any in this House wanting to have their cake and eat it to complain about the situation over British Airways when they want a free-for-all policy as far as this issue is concerned? And will he also confirm that the fact is that these routes have subsidised British

Regional Airways beforehand and what is happening is that we are getting a second-class service simply because this government will not take control of these issues?

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** The hon. member says this government will not take control of the issues; that is not the case. We *are* dealing with the issues. I think our actions, made very public in recent months, make it quite clear that we take this issue very seriously. Can I say to the hon. questioner that the hon. member who has actually placed this question on the paper today was chairman of a select committee of this House, and the conclusions were quite clear that implementing some form of control at this end –

**Mr Henderson:** Point of order, Mr Speaker.

**Mr Corkill:** - in not the mechanism; the mechanisms are outside of this Island to an extent. Therefore, by applying mechanisms of control at this end, we would be setting up a bureaucracy when, indeed, the issue is all about encouraging people to fly to this Island, not then slapping some sort of restriction on them on top of that effort. There is no point in trying to encourage transport carriers to this Island and then giving them an overlay of further regulation which they then have to comply with and which really has no benefit, and I think the report made that quite clear. It also made it quite clear that in other islands, in the Channel Islands, these particular mechanisms which are in place do not have any impact.

**The Speaker:** Final supplementary on this question. I call on the hon. member for Douglas North, Mr Henderson.

**Mr Henderson:** Thank you, Mr Speaker. May I just clarify that the Chief Minister has definitely lost the plot on this; I was not on the select committee he speaks of – I had nothing to do with it, and hence the importance of my questions. Would the Chief Minister not agree with me that even 1,000 disappointed passengers a month is totally unacceptable, (**A Member:** Hear, hear.) and certainly what more promise can he give our travelling public out there, what more support, than just saying that we are going to carry on with the meetings? And does he not agree with me that a general register of public concern is the right way forward and is not more bureaucracy but will give him a file of evidence that he can use at any meetings with BA, rather than just saying, ‘Oh, we may have had one or two complaints’? Surely that would be a better way forward than operating in a fragmented, abstract fashion.

**Mr Houghton:** hear, hear.

**The Speaker:** Chief Minister to reply.

**Mr Corkill:** I think I have answered the question about the register already. I do not think that that extra level of bureaucracy would be useful. I apologise to the hon. member; it indeed was not the hon. member for North Douglas, Mr Henderson, who was chairman at that committee, it was the hon. member for Ramsey, Mr Singer, who was the chairman of that committee. I am very pleased that one member of the APG, at this stage, has come around to the government line in terms of how we deal with these things, (*Laughter*) and so I apologise if I mistook one member for the other. (*Interjections and laughter*)

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### Suspension of Standing Orders – Approved

**The Speaker:** Hon. members, the clock has approached 11 o’clock. I call on the hon. member for Ramsey, Mr Singer.

**Mr Singer:** Mr Speaker, I beg leave to move that standing order 47 be suspended to allow the remaining questions for oral answer to be dealt with at this sitting.

**The Speaker:** That is at 2.30 p.m., I presume, when we resume. Do I have a seconder?

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

**The Speaker:** Hon. members, the motion before the House is that standing orders be suspended to enable the oral questions to be resumed at 2.30 p.m., when the House resumes. All those in favour say aye; against, no. The ayes have it. The ayes have it.

Hon. members, the House will now stand adjourned until 2.30 p.m. this afternoon in our own chamber.

*The House adjourned at 11.02 a.m. and resumed its sitting at 2.30 p.m.*

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### Nursery Classes in Primary Schools – Update and Plans – Question by Mr Earnshaw

Question 5. The hon. member for Onchan (Mr Earnshaw) to ask the Minister for Education:

*As the development of nursery classes at nine of our primary schools appears to have been well received, will you provide an update of recent progress and outline your department’s plans for the next two years?*

**The Speaker:** Now, hon. members, we start this afternoon's proceedings with oral answers to questions, and that is question 5. I call on the hon. member for Onchan, Mr Earnshaw.

**Mr Earnshaw:** Thank you, Mr Speaker. I beg to ask the question standing in my name.

**The Speaker:** I call on the hon. member for Garff, Mr Rodan, Minister for Education.

**Mr Rodan:** Mr Speaker, I thank the hon. member for his question. Nursery school classes operated by the Department of Education have now been established at the following primary schools: Manor Park, Jurby, Cronk y Berry, Ballacottier, Victoria Road in Castletown, Peel Clothworkers, Auldyn Infants in Ramsey, Ashley Hill and Willaston. These are the nine nursery classes to which the hon. member refers, and of these nine, seven have been opened in the past four years. These seven were created either when the opportunity presented itself as a prudent, forward-looking option, such as during the building of a new school, or otherwise in areas where it was judged that there would be community benefit, having regard to social need. As far as the next two years are concerned, St John's new school, which is now operational and will be officially opened next year by the Chief Minister, also has a nursery unit, which will open in September 2003. The hon. member for Onchan will be pleased to know that Onchan Primary School's nursery unit is scheduled for 2004. Thank you, Mr Speaker.

**The Speaker:** Hon. member for Onchan, Mr Earnshaw.

**Mr Earnshaw:** Thank you, Mr Speaker, and I would like to thank the hon. minister for his comments about these welcome developments, which I think are appreciated by parents of young children throughout the Island. Regarding the proposal for Onchan in 2004, my understanding is that the plot of land alongside Onchan School has been purchased for this development, and I would be very grateful if the minister would kindly confirm that that is the case, please.

**The Speaker:** Minister to reply.

**Mr Rodan:** If the plot of land the member is referring to is the plot of land I think it is, then the answer is that that plot of land relates to a traffic management scheme and not specifically the classroom extension. As far as I am advised, this nursery school classroom extension is to take place at the top part of the field, which is a dead space. It is end closest to Downtys, as I understand it, and will incorporate a traffic management scheme there. I do

not think it is the plot of land that was purchased to facilitate access to the school.

**The Speaker:** Hon. member for Onchan, Mr Earnshaw.

**Mr Earnshaw:** Thank you, Mr Speaker, and I thank the hon. minister for that reply. A further supplementary - and final supplementary from me: would the minister comment on whether or not the nursery classes project has been set up in any way to compete with kindergarten schools in the private sector?

**The Speaker:** Minister to reply.

**Mr Rodan:** Thank you, Mr Speaker. No, the answer is: certainly not. We must, I think, be clear that what we are talking about here is pre-school education and not nine-to-five childminding facilities. While certain kindergartens do have educational elements within them, they are primarily private childminding facilities. What we are talking about are very good education programmes, organised in morning sessions of two and a half hours and afternoon sessions of two and a half hours, as very much part of pre-school education.

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### **Myalgic Encephalomyelitis – UK Report – Question by Mr Houghton**

Question 6. The hon. member for Douglas North (Mr Houghton) to ask the member for Health and Social Security:

*Why has the report of the Chief Medical Officer of the United Kingdom into myalgic encephalomyelitis not been circulated to all primary healthcare doctors?*

**The Speaker:** I call on the hon. member for Douglas North, Mr Houghton.

**Mr Houghton:** Thank you, Mr Speaker. I beg leave to ask the question standing in my name, sir.

**The Speaker:** I call on a member for the Department for Health and Social Security, the hon. member for Glenfaba, Mr Anderson, to respond.

**Mr Anderson:** Thank you, Mr Speaker. I can confirm that the report to which the hon. member refers has been considered by my department in consultation with the general practice sub-committee of the Medical Society. Arising out of that consultation, the decision has been taken under which the Director of Public Health's office would write to each general practitioner, summarising the evidence-based treatment of ME contained in the Chief Medical

Officer's report. This approach was adopted in the interests of patient care and is intended to assist busy general practitioners who otherwise may find it difficult to make time to read and absorb what is a detailed and technical report, not all of which is directly beneficial to the management of patients.

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

**Mr Houghton:** Thank you, Mr Speaker. So, judging by the answer from the hon. member from the department, the department has decided to go back on the word of their minister, who promised to circulate the abridged version of the report, not a letter that really was a poor letter, a vague letter –

**The Speaker:** Hon. member, could I ask you to ask a question please, not make a statement?

**Mr Houghton:** Certainly, sir. But what I would ask the hon. member for the department is: why have they not circulated the abridged version of the report, rather than a poor letter in its place?

**The Speaker:** Hon. member for Glenfaba, Mr Anderson.

**Mr Anderson:** Thank you, Mr Speaker. The report itself consists of an 82-page document, and added to that there are various annexes, and it was because of its bulk that the decision was taken to provide GPs with a summary. This summary which the hon. member for Douglas refers to is not the abridged version that is available, but the report and distribution list was considered in consultation with the general practitioners' representative group on the Island. General practitioners receive many reports and protocols, of which ME is just one. It was decided that public health should write a letter to each general practitioner which contained the evidence-based treatment of ME and that the report would be summarised. This would make it easier for already overworked GPs to treat ME patients in a better way. The report referred to is quite technical and contains many references which would not directly benefit GPs or ME patients. The summary also informed interpretation of the findings in the report. Simply distributing a long and detailed scientific report in no way guarantees that it will be interpreted well or implemented. The summary letter contains advice on blood tests and treatment and was sent to every general practitioner, and each one has access to a copy of the report, if they so desire, from Crookall House.

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

**Mr Houghton:** Thank you, Mr Speaker, and I thank the hon. member for the department's answer, but the report he is discussing is the 82-page main report, which *is* an involved document. That is the reason why they brought out the abridged version. May I ask if he would reconsider circulating to all primary healthcare doctors the abridged version of this report, sir? I would be very grateful.

**The Speaker:** Hon. member for Glenfaba, Mr Anderson.

**Mr Anderson:** Thank you, Mr Speaker. This was considered by the medical committee, and it was on their advice that the further letter was sent out to GPs, but can I make it quite plain to the hon. member that if any GP wants further information, it is available to them. Of course, it is available on the internet as well, but copies of the abbreviated version are available at Crookall House if any GP wants further information. Some GPs take a greater interest in this area than others, and no doubt those who have a greater interest will avail themselves of that information.

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

**Mr Houghton:** Thank you, Mr Speaker. Finally, may I ask why it took from March, when the report arrived on the Island, until September, when the letter went out? Why was there such a gap of time in those primary healthcare professionals receiving this information so late?

**The Speaker:** Hon. member for Glenfaba, Mr Anderson, to reply.

**Mr Anderson:** Thank you, Mr Speaker. I can only guess it is because there were meetings between the ME self-help group and a representative from public health at Crookall House, and it was not until those meetings had taken place and they reported back to the GP sub-committee that probably the delay caused this, but I shall look into it for the hon. member and find out exactly why it took quite so long.

**Mr Houghton:** Thank you.

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### **Invalid Care Allowance – Loss of Benefit – Question by Mr Henderson**

Question 7. The hon. member for Douglas North (Mr Henderson) to ask the member for Health and Social Security:

- (1) *Will your social security division investigate the possibility of not classing invalid care allowance as an income*
-

*replacement benefit for a person who reaches retirement age;*

- (2) *how many people are currently losing this benefit as a result of reaching retirement age; and*
- (3) *what would the estimated cost of such a move be likely to be?*

**The Speaker:** Hon. members, in the absence of the hon. member for Douglas North, Mr Henderson, who has leave from me to be absent for part of this afternoon's proceedings, I call on the hon. member for Douglas North, Mr Houghton, to ask the question in his name.

**Mr Houghton:** Thank you, Mr Speaker. I beg leave to ask the question in the name of Mr Henderson, sir.

**The Speaker:** I call on a member for the Department of Health and Social Security, the hon. member for Onchan, Mr Earnshaw.

**Mr Earnshaw:** Thank you, Mr Speaker. It is a fundamental principle of the welfare state that two benefits are not paid for the same eventuality, which is, in the instance referred to by the hon. member, to replace earnings. I therefore regret to advise that my department has no proposals to review this principle.

Information regarding numbers affected and the estimated cost of treating retirement pension and invalid care allowance in combination as outside the overlapping benefits rules is not available. However, purely as an illustration, if such a change in rules were to result in 10 per cent of the carers of people on the middle or higher care component of disability living allowance and 50 per cent of the carers of people in receipt of attendance allowance and not living in care homes qualifying for invalid care allowance, that would increase the department's call on general revenue by about £750,000 per year. I can advise the hon. member that such a service development does not feature anywhere in my department's planning.

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

**Mr Houghton:** Thank you, Mr Speaker, and I thank the hon. member for the department for his reply. I take note that he has no proposals to review the situation, but can he please re-clarify for me item (2): how many people are currently losing this benefit as a result of reaching retirement age? Can he clarify that, sir?

**The Speaker:** Hon. member for Onchan, Mr Earnshaw.

**Mr Earnshaw:** Well, I think I have already said, Mr Speaker, that I cannot clarify that because figures are not available and we have no plans to research this. In the time available, it is not possible to even structure an approach to an estimate of costs of the proposal. Such an estimate would be a complex, lengthy and expensive task in terms of staff time, and many different combinations of benefit are involved. In view of the fact that the department has no proposals to review the principle, an expensive costing would be an inappropriate use of taxpayers' money.

**The Speaker:** Hon. member for Rushen, Mr Gill.

**Mr Gill:** Thank you, Vainstyr Loayreyder. Could I ask the member for social security if he could advise me which agencies his department consults and liaises with in determining what hardship carers or the clients in direct receipt of these benefits will suffer and how they determine those levels of care and what actions they would take to remedy that?

**The Speaker:** Hon. member for Onchan, Mr Earnshaw.

**Mr Earnshaw:** Well, the department, Mr Speaker, conducts its consultation exercises as and where it considers appropriate.

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### **Ramsey Cottage Hospital – 'Urgent Treatment Centre' – Question by Mr Singer**

Question 8. The hon. member for Ramsey (Mr Singer) to ask the member for Health and Social Security:

*Are there any changes in the opening hours of the 'Urgent Treatment Centre' at Ramsey Cottage Hospital?*

**The Speaker:** I call on the hon. member for Ramsey, Mr Singer.

**Mr Singer:** Thank you, Mr Speaker. I beg leave to ask the question standing in my name.

**The Speaker:** I call on a member for the Department of Health and Social Security, the hon. member for Glenfaba, Mr Anderson.

**Mr Anderson:** Yes, thank you, Mr Speaker. There are, and have been, no changes in the opening hours of the Urgent Treatment Centre at Ramsey and District Hospital. The centre is open for 24 hours a day and remains as such.

**The Speaker:** Hon. member for Ramsey, Mr Singer.

**Mr Singer:** I thank the hon. member for his answer. So, can he then confirm to me that there is no intention of changing the hours after April, when the new doctor service is going to be introduced, when the local doctors are not going to be attending the hospital but there is going to be another form of maybe a Manndoc-type system introduced into Ramsey? Can he assure me that the hospital will remain open for the same hours now at weekends and after six o'clock for the foreseeable future?

**The Speaker:** Hon. member for Glenfaba, Mr Anderson, to reply.

**Mr Anderson:** Yes, Mr Speaker. As the hon. member for Ramsey points out, the Urgent Treatment Centre at Ramsey is covered by the Ramsey group practice and, at this stage, the department has not been approached with any regard to any proposed change for the future to that contract that is outside the contract, that is a normal contract that GPs have out-of-hours services at weekends and for out of normal hours. So, I can say that we have no news that Ramsey group practice intends to stop the service they are already providing.

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

**Mr Karran:** Vainstyr Loayreyder, would the member give an assurance that the opening hours of the Urgent Treatment Centre at Ramsey will not affect his department's commitment to get the first-class, speedy paramedic coverage that is needed for the whole of the Island, so that the whole of the Island is provided with the right intervention quickly? And will this issue not cloud the issue of making sure that that is sorted out as far as the paramedics are concerned?

**The Speaker:** Hon. member for Glenfaba, Mr Anderson, to reply.

**Mr Anderson:** Thank you, Mr Speaker. I think the point the hon. member for Onchan makes is a good point and, at the moment, I cannot see the emergency service on the Island being compromised by the situation at Ramsey.

**The Speaker:** Hon. member for Ramsey, Mr Singer.

**Mr Singer:** The hon. member seemed a bit reluctant in his answer when he said, 'We have no news.' Is he anticipating receiving any news about the doctors' service? On 29th October in this House, he talked about the new medical service, the new doctors'

service, working throughout the whole of the Island, including Ramsey, so can he now give me an assurance, which he could not give me then, that any new doctors' service will operate from the Ramsey Cottage Hospital rather than from Douglas if it is going to replace the doctors in Ramsey in the future?

**The Speaker:** Hon. member for Glenfaba, Mr Anderson, to reply.

**Mr Anderson:** I am sorry to disappoint the hon. member, but I cannot give him that reassurance. The contract has not been sorted out yet, and the service that has been put in place is some way off being finalised, so I am afraid I cannot give him that undertaking.

**The Speaker:** Hon. member for Ramsey, Mr Singer.

**Mr Singer:** If the hon. member cannot give me any information on the doctors at present and being absolutely sure they are going to remain there and he cannot give me any information about the future service, how can he then guarantee for me that there will continue to be a 24-hour, seven-day cover for accident treatment at the Urgent Treatment Centre at Ramsey Cottage Hospital?

**The Speaker:** Hon. member for Glenfaba, Mr Anderson, to reply.

**Mr Anderson:** Mr Speaker, what I said was that, as far as we knew, there was not going to be any change in this service. From what the hon. member is asking, maybe he has some information that I do not have, but can I say that, with the Urgent Treatment Centre at Ramsey, there are no plans with my department for changing that at the moment.

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

**Mr Houghton:** Thank you, Mr Speaker. May I ask the hon. member of the department a simple, unconvoluted question: have the staff been notified of any changes whatsoever lately, yes or no?

**The Speaker:** Hon. member for Glenfaba, Mr Anderson.

**Mr Anderson:** Not as far as I know.

**The Speaker:** Hon. members, that concludes questions for oral answer. The questions for written answer have been circulated. Hon. members will have received a second set, unfortunately, due to an error in issuing the first set, so members now should have the new set in their hands.

**Merrill Lynch Investment Trusts –  
Performance – Question by Mr Karran  
for Written Answer**

Question 1. The hon. member for Onchan (Mr Karran) to ask the Minister for the Treasury:

*Are you aware that most of the investment trusts selected by Merrill Lynch attract an annual management fee of 1.5%? This is in addition to the management fees previously reported to this hon. House, amounting to £398,744.00, which, based on the book value of £800M of these investments, is equivalent to a management fee of 0.05% for a six-month period. Is the performance of these investment trusts sufficient to warrant paying fifteen times the management fee arising on other investments?*

**Answer**

The hon. member would appear to be quoting the management fee charged on those retail investment products that Merrill Lynch sell directly to members of the public. These investment products are different to the pooled institutional funds that are mainly used by the fund managers as investments for the government's funds. These pooled institutional funds are not available for the public to invest in and their management fees are determined within fee negotiations with the fund managers and are clearly stated in regular reports to Treasury. It is therefore not appropriate to quote the fees charged on the retail investment products with reference to the pooled institutional funds.

As advised in my answer to the hon. member in question 41 at the November sitting of Tynwald, there is no double charging of fees in respect of pooled institutional funds, so the calculation of the management fee of 0.05% is incorrect. With regard to the hon. member's question regarding the performance of investment trusts, I am not prepared to discuss fund managers' fees for the reasons as stated in my written answer to question 2.3 on the order paper today. The performance of fund managers is measured with reference to the changes in the total values of the funds they manage and is part of the established process through which Treasury monitors both the funds' performance and the performance of the fund managers. The performance of the investments within the funds is included as part of this process.

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**Merrill Lynch – Value of Investments –  
Question by Mr Karran  
for Written Answer**

Question 2. The hon. member for Onchan (Mr Karran) to ask the Minister for the Treasury:

- (1) Will you confirm the total value of funds placed with Merrill Lynch Managers (IOM) Ltd when the contract with this company was renewed last year;*
- (2) will you confirm what percentage of these investments has been invested in collective investment vehicles managed by Merrill Lynch; and*
- (3) will you also confirm the market value of such investments to 30th September 2002 and the market value at the most recent available date of calculation?*

**Answer**

- (1) The total market value of funds placed with Merrill Lynch Investment Managers (Isle of Man) Limited as at 31st March 2001, when their investment management agreement was renewed, was £451.8 million.
- (2) 41.8% of the value was invested in collective investment vehicles managed by the Merrill Lynch Group.
- (3) The market value of collective investment vehicles managed by the Merrill Lynch Group as at 30th September 2002 was £153.1 million. As sales and purchases of holdings have taken place during the period from 31st March 2001, it should be noted that the figure of £153.1 million does *not* represent the same number of shares held at 31st March 2001. The market value of shares held in Merrill Lynch collective investment vehicles as at 26th November 2002 was £160.4 million.

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**Merrill Lynch Investment Trusts –  
Reconsideration of Tynwald Answer –  
Question by Mr Karran  
for Written Answer**

Question 3. The hon. member for Onchan (Mr Karran) to ask the Minister for the Treasury:

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*Will you reconsider the written answer you provided to the following written question in Tynwald on 19th November 2002:*

*'Will you quantify the level of any management fees charged directly or indirectly by Merrill Lynch investment trusts for the six-month period ended 30th September 2002?'*

**Answer**

I have reconsidered the answer to the question given on 19th November 2002. In doing so, I have taken into consideration the importance of the concept of public accountability and that it is necessary and appropriate that government be able to be held to account for its actions. I have also taken into account the need for the Treasury to be able to fulfil its responsibilities and functions, now and in the future.

Government is accountable to the public and is willing to provide information in the public interest. However, the public interest also requires that government, if it is to do its job properly on behalf of the taxpayer, should have a choice of private sector suppliers and advisers, willing to compete for government work. Private sector businesses will not be interested in undertaking government work if it leads to exposure of details of their business, which might be of value to competitors. There are therefore some details of government's relationships with business that it is not in the wider interests of the public to disclose.

More specifically, in order to fulfil its functions in relation to the management of government reserves, the Treasury needs to develop and maintain effective business relationships with its fund managers. An important element of such a relationship is mutual confidence that commercial confidentiality will be respected. In considering the question, I have taken into account both that the information requested is commercially sensitive and that it has been confirmed that the fund manager concerned would not wish to have such commercially sensitive information made public, for sound commercial reasons.

I do not believe it would be in the public interest for a business relationship important to the Treasury's ability to undertake its functions to be threatened or disrupted by the public disclosure of the information requested by the question. Therefore, in accordance with Clause 52 of the standing orders of the House of Keys, upon the ground of public interest, I decline to answer the question.

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**Merrill Lynch – Management Fees –  
Question by Mr Karran  
for Written Answer**

Question 4. The hon. member for Onchan (Mr Karran) to ask the Minister for the Treasury:

- (1) Are you not aware that it is established best practice within the investment community that management fees arising on all collective investments to which the public might subscribe, such as Merrill Lynch unit or investment trusts, are required to be stated in a clear and unambiguous manner;*
- (2) are you also not aware that a clear statement of such management fees are a listing requirement by most stock exchanges where such investment or unit trusts are traded; and*
- (3) further, are you not aware that the annual management fees charged by the managers of Merrill Lynch investment or unit trusts are clearly stated in their individual annual reports, and since these charges are set and applied to all and any investments in these funds on exactly the same percentage basis and are publicly available, how can you say that 'This information is commercially sensitive'. And will you now answer fully my original question?*

**Answer**

- (1) Yes. I am aware of this.
- (2) Yes. I am aware of this.
- (3) The question is confusing those Merrill Lynch investments that are available to the public and which issue annual reports with the pooled institutional funds used for investment by the fund managers of the government's funds. Pooled institutional funds are not available for the public to invest in and their management fees are determined within fee negotiations with the investment managers. In respect of the request to answer question 41 at the November sitting of Tynwald in relation to management fees, I refer the hon. member to my written answer to question 2.3 on the order paper today.  
I do not believe it would be in the public interest for a business relationship important to the Treasury's ability to undertake its functions to be threatened or disrupted by the public disclosure of the information requested by the question. Therefore, in accordance with Clause 52 of the standing orders of the

House of Keys, upon the ground of public interest, I decline to answer the question.

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**CORRIGENDUM**

House of Keys (Questions),  
26th November 2002, page KQ87, column 1.  
Please delete the heading to Question 7,  
substituting **Kirk Michael – Deteriorating  
Standard of Water – Question by  
Mr Cannan for Written Answer**

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