

REPORT OF PROCEEDINGS OF TYNWALD COURT (QUESTIONS)

**Douglas, Tuesday, 10th December 2002
at 10.39 a.m.**

Present:

The President of Tynwald (the Hon N Q Cringle).

In the Council: The Lord Bishop (the Rt Rev Noël Debroy Jones), the Attorney-General (Mr W J H Corlettt QC), Hon Mrs C M Christian, Mr D F K Delaney, Mr D J Gelling CBE, Mr J R Kniveton, Mr E G Lowey, Dr E J Mann and Mr G H Waft, with Mrs M Cullen, Clerk of the Council.

In the Keys: 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 P M Crowe (Rushen); with Mr M Cornwell-Kelly, Clerk of Tynwald.

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The President: We turn to our question paper, hon. members.

Public Sector Workers – Weighting Allowances – Question by Mr Henderson

Question 1. The hon. member for Douglas North (Mr Henderson) to ask the Chief Minister:

Given that various public sector workers relocating to the Isle of Man are offered financial packages from your government, including mortgage support and relocation lump sums, will your government now examine this situation with a view to establishing Isle of Man weighting allowances to assist its existing work force?

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

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

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

Mr Corkill: Thank you, Mr President. The recruitment incentives available for certain specialist posts only provide assistance with relocation and minimal assistance with housing costs as a consequence of moving to the Island. For many groups of public sector workers the rates of pay take account of local circumstances and for some those pay rates are greater than those of their UK counterparts. Government has a duty to be prudent in its use of the public purse and it would be quite wrong to use those funds to further enhance public sector pay in response to a more general situation which affects all

employment sectors on the Island, both public and private.

The President: Hon. member for Douglas North.

Mr Henderson: Thank you, Mr President. Could the Chief Minister answer why then these various financial packages are offered to staff coming to the Island, which can run into many long thousands of pounds? How does he propose to address the imbalance where local staff are unable to tap into this large resource, which would help them in their own endeavours?

The President: Chief Minister.

Mr Corkill: Mr President, what we are talking about in this question is recruitment incentives and, as I have said, they are not and should not be considered to constitute any form of weighting allowance. All government’s employing authorities, as do private sector employers, consider how they are going to recruit and retain staff with the right skills to deliver services. This is built into the terms and conditions of staff in various ways, having regard to the availability of skilled people, both on and off-Island, also market competitiveness and the overall employment package that is available. For many in government employment, a big attraction is not only pay but also final salary pension provisions and job security.

Can I say, Mr President, that it must be recognised that government is very diverse, it is a very complex organisation and it needs wide-ranging skilled professionals and specialists which are not used by other sectors on the Island. Therefore, while government seeks to grow such skills through employee development, there is always going to be a need to bring some people from off-Island, and these incentives, as the hon. member has questioned, these relocation scenarios, are designed to fill that gap.

The President: Mr Henderson.

Mr Henderson: Thank you, Mr President. Does the Chief Minister not agree that this situation is tantamount to discrimination against the local workforce, and would he further not agree that we do need to put the 'e' into 'equitable' and the 'l' into 'level' playing field, and will he therefore give an undertaking to examine the whole situation with his Council of Ministers to see if there is something fairer for the local workforce that could be put in place, such as weighting allowances or any other mechanism which would also help attract and recruit staff from across?

The President: Chief Minister.

Mr Corkill: I think we need to be cautious with regard to public service earnings. A recent earnings survey demonstrated that average public service earnings are actually greater than those in the private sector at the present time. What we are talking about in this area, Mr President, is relocation grants, one-off grants and also housing assistance with regard to people taking up employment in the public services sector on the Island, people who we are in need of employing.

**Public Sector – New Workers –
Standard Financial Packages –
Question by Mr Henderson**

Question 2. The hon. member for Douglas North (Mr Henderson) to ask the Chief Minister:

Are the Isle of Man Government awards of relocation sums to newly recruited staff to the Island's public sector including mortgage support standardised, or are they individualised and at managers' discretion?

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

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

The President: Chief Minister.

Mr Corkill: Thank you. In responding to the hon. member's question, I should first clarify that the aim of government's relocation scheme is to provide a recruitment incentive to staff who may be recruited from off-Island. The scheme requires senior managers to take into account the value of any of existing salary enhancement due to recruitment difficulties and to determine whether a grant will be made available before a post is advertised. I would add also that this

sort of scheme is not unique to the Isle of Man Government. Most employers, both public and private sector, offer help with relocation costs when recruiting or moving staff. Where a successful candidate is eligible for a grant the level offered is dependent upon the personal circumstances of the individual relocating to the Island. However, there is a prescribed maximum, and only in exceptional circumstances may that be exceeded. The housing assistance scheme, which is available to staff who are eligible for a relocation grant, is designed to help officers who have been in post for three months, with their housing costs for a period not exceeding two years. The nature and level of assistance is prescriptive and depends on personal circumstances; therefore payments are not discretionary.

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

Mr Henderson: Thank you, Mr President. Although the Chief Minister has said the payments are not discretionary, he is giving the impression - if he could clarify? - that there seems to be some sort of parameters managers can work within in these payments, upper and lower limits, and therefore, given that, could he then answer, or whatever, that what we are going down the road of is personalities and, again, discrimination against workers coming in here, because it is at the behest of the local manager who actually assesses that particular case, who may or may not like that particular member of staff?

The President: Chief Minister.

Mr Corkill: What I would like to say, Mr President, is that if there are any instances that the hon. member knows of with regard to actual discrimination, then I would like to hear the details of those and I would certainly follow up on them. There are parameters which I will mention in a moment. Can I say that the Council of Ministers review the situation on an ongoing basis and we have even had papers recently where we have decided to extend the situation for another 12-month period because, in the light of the employment situation, there may in the future be no need for these relocation packages, but at the moment we feel there is. The maximum relocation grant is £10,000 and the grant is payable in two instalments, 50 per cent with the first month's salary and 50 per cent with the third month's salary. The grant is to cover all costs of relocating the officer and dependants, including the possible need for temporary accommodation, storage of furniture, conveyancing et cetera. As a general principle, a single person is offered a lower grant than an officer with dependants. The area from which an officer is relocating can also influence the grant payable. Some departments have lower parameters and then there is an issue also to do with the housing assistance scheme. So there are quite

clear parameters, Mr President, and departments are expected to keep to them, and as I have said, there is no discretion.

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

Mrs Christian: Would the hon. Chief Minister confirm that a determination as to whether or not to pay a relocation package is made prior to advertising the post and the level at which the relocation package is offered relates to the nature of the post and the competitive market in relation to that post, and therefore does not deal in personalities?

The President: Chief Minister.

Mr Corkill: I can actually confirm that 100 per cent, Mr President. The decision is made before the advertisement is cast.

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

Mr Henderson: Thank you, Mr President. Can the Chief Minister confirm that what he actually said in one of his previous replies to me was that there are parameters and that managers can weigh up the criteria of candidates applying to the Isle of Man, and can he also confirm that he did say different departments can pay different rates within those schemes, but would he agree with me that, given that scenario, what is really needed is a standardised format throughout all government departments so that no discrimination can take place and that no one manager can see fit to offer a high reward if, for instance, if a colleague known to him was coming to the Island?

The President: Chief Minister.

Mr Corkill: I need to say again, I think, Mr President, that these decisions are made prior to jobs being advertised. With regard to having a standardised system the rules are effectively applied across government, but we have to be aware that employment conditions vary from sector to sector and therefore it would not be appropriate to have the same financial parameters in terms of recruitment and retention of staff in all areas of government. There are areas of government where it is not even necessary, but there are some key areas where we are desperately wanting to retain staff and this is part of that issue.

Rate Revaluation – Question by Mr Lowey

Question 3. The hon. member of the Council (Mr Lowey) to ask the Chief Minister:

(1) *What is your policy on rate revaluation for the Island;*

(2) *when was this last reviewed;*

(3) *what is the cost of such an exercise; and*

(4) *what timescale is involved to undertake this exercise?*

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

Mr Lowey: Thank you, Mr President. I beg leave to ask the question standing in my name.

The President: Chief Minister.

Mr Corkill: Mr President, the issue of rates revaluation is kept constantly under review by the Council of Ministers and has been discussed as recently as last week. The cost of a full rating revaluation is estimated to be in the region of £2.5 million to £3 million and could take two to three years to complete. It is because of the likely cost and length of time it would take to effect a full revaluation that Treasury has identified as a key priority, in its three-year business plan, the review of rating and valuation legislation

The President: Mr Lowey.

Mr Lowey: Would the Chief Minister not agree that, as a paper was prepared for the Council of Ministers two years ago, that paper spells out the case for and against and could it not be in the public interest for that paper to be made public? Would he agree to release that paper for general discussion, because I do think local authorities are pressing for this and it appears that government is unwilling to grant them a revaluation?

The President: Chief Minister.

Mr Corkill: I think I am aware of the paper that the hon. member refers to and I am certainly willing to look at that paper and see if the hon. questioner's aspiration can be realised in terms of a wider distribution. I shall certainly look at that and make a decision on it. The last revaluation was indeed in 1972. A revaluation would provide a new Island-wide property database and provide the opportunity for the detection and eradication of rating anomalies, but of course, unless we are then to use the rating system to provide additional revenue streams, there would actually be no benefit to government in perhaps spending the amount of money that I have just detailed. Certainly there have been from time to time papers from the Treasury, when I was Treasury minister, detailing what would be involved in a rating

reevaluation. It is a costly exercise and at that time it did not seem value for money, but these things are kept under review.

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

Mrs Hannan: Yes, thank you, Eaghtyrane. Could I ask the Chief Minister, has the government not decided that they will use the rating system to raise income to pay for services?

The President: Now, I will allow the Chief Minister to answer, but we are not going down a debate on how we should raise funds for government. Chief Minister.

Mrs Hannan: I want clarification.

Mr Corkill: Thank you, Mr President. Well, obviously the debates of the last sitting of Tynwald are still in people's minds and of course there was a decision made by this hon. Court to do just that in one particular instance. (*Interjection by Mrs Hannan*) There is a paper, of course, which the hon. member of Council refers to and which has highlighted a number of options in terms of the way revenues can be raised, and I do not think it would be prudent, bearing in mind the President's comment just now, to get drawn on revenue streams for government on the back of this question. The question relates to a rating review, as it were, and that is being actively considered at the moment.

The President: Mr Speaker.

The Speaker: Yes, thank you, Mr President. Could I ask the Chief Minister, as it is still Tynwald Court's policy for the abolition of the domestic rate? If it is the government's view to change that decision, will the Chief Minister ensure that a full detailed report is brought before this Court so the Court can consciously consider any change in government policy?

The President: Again we are widening the question; Chief Minister, keep your reply brief, please.

Mr Corkill: I am aware of Tynwald's deliberation on this many years ago and that that is an outstanding declaration of this Court. Can I say also, with regard to the issue that the hon. Speaker raises, I will discuss the issue with the Treasury in terms of how we can best inform hon. members of this Court.

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

Mr Karran: Eaghtyrane, could I ask the Ard-shirveishagh, would the Ard-shirveishagh not agree

that the policy over the rate revaluation for the Island has to be done first before any proposals to increase any anomalies as far as the rating system is concerned at the present time, and can he give an assurance that he will have the rate revaluation done, which is unjust at the present time, before augmenting it with more injustice by allowing any increase in the rates to be for the Island?

Mrs Hannan: Hear, hear.

The President: Chief Minister.

Mr Corkill: What I would like to say is that the Treasury is due to report to the Council of Ministers in February of next year, Mr President, with a paper in relation to a number of costs, and we have asked the Treasury to set out the current position in relation to charges. We are also asking them to compare the current position. We have a number of bullet points which I will distribute to hon. members in relation to what Treasury is tasked to come back with.

With regard to the comments that the system is unjust, I think we ought to be aware that rates are a property tax and they are just that: a tax on property, and the way the rating system works is quite simple in that it is relevant to the notional rental value that that property might achieve. So I understand what the hon. member is saying; we need building blocks in place first and certainly, if there was to be a change of policy in this area, I think it would be prudent to have the anomalies ironed out first, which I think is what is concerning hon. members, but I think we ought to be aware that perhaps there are not that many anomalies across the Island as people are perhaps beginning to think there are.

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

Mrs Cannell: Thank you, Mr President. Bearing in mind that it was a committee of Treasury which reported to the Council of Ministers in October 2000, why we now are having to wait until February 2003 before Treasury come back with any definitive recommendations or costs? And further, Mr President, does the hon. Chief Minister believe that the spending of £2.5 million or £3 million over the next two or three years is just and fair in view of the fact that the rating as presently established is inequitable, unfair to the public and full of anomalies, and that the spending of £2.5 million or £3 million would benefit the people? It may not necessarily bring benefits for government, but it would benefit the people and therefore it should be considered.

The President: Chief Minister.

Mr Corkill: I would like to say immediately that government is for the people, Mr President,

(**Mr Delaney:** Sometimes.) and in terms of these revenues that we are talking about it is people's money that we are talking about; it is not the government's money.

With regard to the comments on the rating revaluation exercise, I take note that the hon. members' top priority, it would appear, in terms of financial expenditure would be to have a rating revaluation, and I take note of their comments in that respect.

**Recycled Materials –
Government's Use of –
Question by Mrs Hannan**

Question 4. The hon. member for Peel (Mrs Hannan) to ask the Chief Minister:

- (1) *Does your government support the use of recycled materials and, if so,*
 - (a) *use recycled paper materials in offices;*
 - (b) *when publishing reports, stipulate that they are printed on recycled paper; and*
 - (c) *use recycled plastic cups etc, and*
- (2) *if not, will you start immediate discussions with departments to insist on their use?*

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

Mrs Hannan: Eaghtryrane, I beg leave to ask the question standing in my name.

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

Mr Corkill: Yes, thank you, Mr President. This government supports the use of recycled materials where it is appropriate and where it is value for money to do so. However, there are practical and economic considerations which need to be taken into account. Recycled paper contains more dust than other paper and this can have an adverse effect on photocopiers and printers. It is also between 15 and 30 per cent more expensive. There are also difficulties with regard to the consistency of quality. The quality and consistency of paper is crucial to the operation of government's main frame printers due to the air conditioned environment and high speed which they achieve. However, Mr President, we do seek to buy paper which meets current environmental legislation, regulations and requirements. So far as plastic cups are concerned, I am advised that it would be best altogether to do without them and to use paper cups and just wash

them out. (**Members:** Hear, hear.) The waste management unit commenced the investigation of procurement of materials with a high recycled content in conjunction with the Value for Money Committee in 2001, discussions have taken place with departments in respect of those investigations and a number of departments have set up systems to recycle paper, cans, toner cartridges and that sort of item. Subsequently, however, due to staff shortages within the waste management unit, progress has been slower in recent times, but I am aware that the Minister for DoLGE with new staff in place is keen to progress these matters further.

The President: Hon. member for Peel.

Mrs Hannan: Thank you, Eaghtryrane. Could I ask the Chief Minister why, if the policy is 'reuse, reduce, recycle' and has been a policy of government for at least 10 years, there is not more recycling, taking into account the excuses that we have heard this morning as to why we cannot, when the quality of paper that is used is the highest quality that we actually dispose of, and should we not be committed at the other end to use materials that in turn have been recycled, and will he not investigate how recycled paper can be used satisfactorily?

The President: Chief Minister.

Mr Corkill: Well, of course, the whole recycling argument stretches across many, many products and paper is but one, but I am advised that in terms of the operation of the main frame computers and the aspects of reprographics the quality of the paper is important to the way they operate. So recycled materials are used, but there has to be some moderation in that and not a 100 per cent recycling solution. I would make the point that of course paper is a renewable substance; in fact my understanding is that on a worldwide basis there is actually less paper utilised than there are trees growing, so there is always a renewable source of high quality paper, but nonetheless the government is committed to reducing wastage, but we also have to have an eye to cost and quality.

**'Fair Trade' Goods –
Government Support –
Question by Mrs Hannan**

Question 5. The hon. member for Peel (Mrs Hannan) to ask the Chief Minister:

- (1) *Does your government support 'Fair Trade' when purchasing goods such as coffee, tea, sugar etc that would get a real return for the people engaged in this production; and*

(2) *if it does not already, will you enter into discussions with persons whose companies can supply such items?*

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

Mrs Hannan: Eaghtyrane, I beg leave to ask the question standing in my name.

The President: Chief Minister.

Mr Corkill: Mr President, within the context of this question the government does not currently have a policy with regard to 'Fair Trade.' It does however, have a purchasing policy which states that in making purchases, officers should seek to achieve value for money, seeking to give better value year-by-year resources by relating inputs of cash and other resources to the output they achieve. It is also a policy of this government to support wherever possible local suppliers of goods. A search of the Fair Trade Foundation internet site reveals that there are, so far as I can see, only two suppliers on the Isle of Man currently supplying Fair Trade goods, and I would be happy to recommend that departments investigate the possibility of buying Fair Trade goods (**A Member:** Hear, hear.) as long as in doing so they continue to achieve value for money and continue to support local suppliers.

The President: Hon. member for Peel.

Mrs Hannan: Could I ask the Chief Minister to clarify 'value for money', because it seems that both the responses of the last question and this question relate to 'value for money'. I would like to ask: 'value for money for whom?' The Overseas Aid Committee receives money from the government to support countries such as produce Fair Trade materials, and would the Chief Minister not agree with me that for us to support countries to aid themselves would go much further -

Mr Henderson: Value for money.

Mrs Hannan: - than some of the aid which is given to many countries and, with regard to tea and coffee, would the Chief Minister also investigate the use of tea and coffee machines, which are increasing within government, and they relate also to recycled, biodegradable materials, which they are not, and also the use of such tea, coffee and sugar et cetera?

The President: Chief Minister.

Mr Corkill: Mr President, we could spend all morning on debating the theory of value for money. I would agree with the hon. questioner that value for money is not just the bottom-line cost; there are other

aspects to take into account. The hon. member raises the issue of overseas aid in the context of this question, and I am very aware that the Overseas Aid Committee is very active at the moment in promoting the fact that we should have a bigger budget in that respect. If we can help the Overseas Aid Committee in terms of this area of fair trade, as I have discovered in researching this question - I have spent quite a bit of time looking at the Fair Trade Foundation internet site - if we can actually help these countries by encouraging local suppliers to stock these products, then we have an opportunity to have value for money and to help these countries.

UK Fuel Payments – Eligibility Criteria – Question by Mr Karran

Question 6. The hon. member for Onchan (Mr Karran) to ask the Chief Minister:

With regard to the United Kingdom fuel payments, will you undertake to consult with the Council of Ministers and the Lord Chancellor's department to review the current eligibility criteria for such payments and, in particular, how they apply on the Isle of Man?

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

Mr Karran: Eaghtyrane, I beg to ask the question standing in my name.

The President: Again, it is in the hands of the Chief Minister to reply.

Mr Corkill: Mr President, the hon. member has been in correspondence with my colleague, the hon. member of Council, Mrs Christian, about this matter recently and I can confirm the advice given to him that the United Kingdom's benefits system is a matter for the United Kingdom Government to determine and, of course, the Isle of Man's benefits system is a matter for the Isle of Man Government and Tynwald Court, indeed, to determine. That constitutional position remains and it would therefore be wholly inappropriate for the Isle of Man Government to undertake the review that the hon. member is seeking.

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

Mr Karran: Eaghtyrane, a supplementary. Would the Chief Minister, the not agree that UK pensioners who reside on the Isle of Man should be paid the same winter fuel payment as would be paid to all UK pensioners who reside with the EU? All I am after is, will he make recommendations or call on the Lord Chancellor's department to look at this anomaly,

because it seems wrong that they are prepared to do this when they reside in the EU but not when they reside in the Isle of Man. That is all I would like to see the Ard-shirveishagh doing.

The President: Chief Minister.

Mr Corkill: Yes, I understand what the hon. questioner is saying, but there is an issue here with regard to the policy within the United Kingdom, which is properly a matter for the United Kingdom Government. The original policy of the UK Government was that winter fuel payments would only be made to pensioner households resident in the United Kingdom. The policy has been turned around somewhat, firstly, because of the United Kingdom Government's legal obligations under the EU and under EEA law. They have had to equalise the age at which the winter fuel payment is made and have chosen to do that at the age of 60 - not just pensioners, but to equalise it at 60 - and they have decided to make winter fuel payments to certain residents of the other EEA countries; secondly, due to political pressure, they have had to increase the basic state pension in the United Kingdom in any case. Can I say the Isle of Man is not part of the EEA and therefore we fall outside of this situation, but I am happy in principle to comment on the issue and raise the issue with the Lord Chancellor's department, but I think we should be clear that as things stand we are outside of the area that the United Kingdom policy applies to.

The President: Hon. member Mr Delaney.

Mr Delaney: No, he answered the question. Thank you.

The President: Hon. member Mr Karran.

Mr Karran: Eaghtyrane, would the Ard-shirveishagh not convey to the Lord Chancellor's department that we have had a proud history of helping the adjacent isle in their moments of need and that to treat people who come to the Isle of Man differently than people from many of the countries that could reside in the EU now and who were on the opposite side many years ago seems somewhat unjust, and will he express our deep dissatisfaction that people who come to the Isle of Man who are UK pensioners should not be penalised (**Mr Delaney:** Hear, hear.) in this way.

The President: Chief Minister.

Mr Corkill: Well, it is true to say that they fall outside of the area that the UK policy applies to. With regard to this Island helping the United Kingdom, I think the comment was, in its hour of need, I think that is a two way process. Certainly the United Kingdom has done many good things for this Island and I think it

is a very good reciprocal arrangement where, in times of crisis, we are only too willing to help them.

I have to say that when people who come to reside on the Isle of Man from the United Kingdom arrive here, they need to be aware that they are no longer residing within the United Kingdom but they are outwith that and there are certain advantages in that area with regard to taxation; there are certain disadvantages in terms of them leaving the UK, but I take on board what the hon. member is saying that in fact in the European Economic Area of countries, which is most the countries of Europe, pensioners who choose to reside there do now receive this winter fuel payment. We have a different policy within the Isle of Man and I am sure the hon. member understands that and is supportive of the Isle of Man policy with regard to how we target winter fuel payments in the Isle of Man, which is a different basis, a different policy, but I have already said I will raise the issue with the Lord Chancellor's department, but I think we ought to be aware that the policy in the United Kingdom does not apply to countries outside of the EEA.

Oil Royalties – Abolition by UK – Question by Mr Karran

Question 7. The hon. member for Onchan (Mr Karran) to ask the Chief Minister:

With reference to the announcement by the United Kingdom Government concerning the abolition of oil royalty payments:

- (1) *how will this announcement affect the Isle of Man; and*
- (2) *will you review the Isle of Man's bilateral treaty arrangements with the United Kingdom concerning the territorial sea?*

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

Mr Karran: Eaghtyrane, I beg to ask the question standing in my name.

The President: Chief Minister.

Mr Corkill: Mr President, the announcement in the United Kingdom Chancellor's 2002 pre-budget report of the abolition of petroleum royalties is something which we have known about since April 2002, when it was first announced that such was the government's intention, subject to consultation on timing. This indeed will have no effect on the Isle of Man as payments under the 1966 Continental Shelf Agreement of a share of licence fees and royalties were terminated in March 1997 following Tynwald's decision of 10th July 1990 to seek an extension of the

Isle of Man's territorial waters. Unless the hon. member has a specific purpose in mind, I can see no advantage at the present time in reviewing the treaty arrangements with the United Kingdom concerning the territorial sea.

Manx Electricity Authority Bond – Question by Mr Karran

Question 8. The hon. member for Onchan (Mr Karran) to ask the Chief Minister:

- (1) *What is the term of the £185 million Manx Electricity Authority bond;*
- (2) *will it be fully repaid at the end of the term; and*
- (3) *by what mechanism?*

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

Mr Karran: Eaghtyrane, I beg to ask the question standing in my name.

The President: Chief Minister.

Mr Corkill: Mr President, the agreed term of the MEA's bond is 33 years and it will be repaid at the end of the term unless, of course, it is repaid earlier.

As regards the mechanism for repayment, I am advised that the most likely scenario is that the bond will be refinanced, probably by a further bond issue, although this will be subject to market conditions throughout the remaining term of the bond.

The President: Hon. member Mr Karran.

Mr Karran: Eaghtyrane, would the Chief Minister not agree that the accountancy procedures applicable to bonds should be the same for every statutory body and that all bonds are repayable bonds with a sinking fund?

The President: Chief Minister.

Mr Corkill: The hon. member raises an important issue, I think, in terms of the public deception of how these figures are arranged in accounts. Certainly figures such as this need to be transparent and I think it is quite clear in the MEA accounting system what is intended with this bond. Whether there is a requirement to have a similar arrangement in all statutory boards, I think, is unnecessary; circumstances will vary from time to time. Certainly with regard to the Water Authority bond a repayment situation is factored in, but with regard to the Manx Electricity

Authority the situation is different, as I have stated in my opening comments.

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

Mr Karran: Eaghtyrane, a supplementary. Would the Ard-shirveishagh not agree that it is wrong to put a hidden debt of £185 million at the end of the period that will then have to be raised again, plus any extras that might be for new power stations and that, and would he also not agree that it is wrong to say that they have got a £7 million or £8 million profit when clearly, if it was worked on the responsible way, at least £1 million to £2 million of that money should have gone into a sinking fund so that the next generation are not riddled with debt from this administration? And finally, Eaghtyrane, would the Ard-shirveishagh not agree that one of the few things that I agree with my predecessors on was the issue of trying to keep the Island in the black and not allowing it to be put into the red for future generations to sort out those liabilities? Will he instigate a change as far as this is concerned?

The President: Chief Minister.

Mr Corkill: I think we ought to be clear what in fact the proposal of a sinking fund would actually achieve. Yes, the hon. member would rest easy in his bed that the bond was repaid over the period of the bond, but we should also be aware that electricity prices were likely to increase by 10 to 20 per cent through that period of time, so it is not unusual for a bond part way through or at the end of a period of time to be refinanced depending on what the market conditions are. I cannot say more than that, except I think it would be also prudent to say that if we looked at the value of the £185 million bond, of course if you convert that it would be a much smaller equivalent figure if you take the 33 years into account. So if we were looking at that figure today you would be talking in real term value of £80 million of repayment or loan or bond having to be restructured. So as time goes by, of course, the economics of the figures change.

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

Mrs Cannell: Thank you, Mr President. Is it not a fact, Chief Minister, that it is the Treasury that arranges all bonds for the statutory authorities to apply to renew their infrastructure and make improvements for the general public? And could he further explain why the Isle of Man Water Authority were required to have a sinking fund and have to budget an amount of money every month to put in to offset the bond in respect of water rates? Why does the water authority have to do it and the MEA not? And further, is the Chief Minister aware that the medium to long-term forecast on the value of bonds in the market currently

is that they are falling in value, and where will that put the MEA and its finances in 30 or 33 years' time? Has Treasury considered that?

The President: Chief Minister.

Mr Corkill: A few questions there, Mr President. Firstly, the water bond and the MEA bond - yes, they are both Treasury issues, and that was in order to achieve the most effective rate, to make good use of the AAA rating that Isle of Man Government has, and can I say that the issuing of these bonds has actually enhanced that AAA rating. Government bonds, which these are, are sought after in the marketplace because they are secure investments for people, investment which has gone into our infrastructure over the longer term. Can I say that with regard to the difference between the Water Authority and the Electricity Authority, the situation is quite clear: the then chairman of the Water Authority insisted on a sinking fund scenario and a repayment of the Water Authority bond. That request did not come from the Manx Electricity Authority and therefore Treasury arranged the bond in that particular way. Both have their merits.

The President: A final supplementary. Mr Karran.

Mr Karran: Eaghtryrane, as the Ard-shirveishagh would agree that, as chairman of the Water Authority, I was insistent on making sure that there was not a debt left to the next generation, would he not also agree that it is wrong for him to bring in red herrings like the cost of electricity when we have heard that the MEA has quoted that it has made £6 million or £7 million or maybe £8 million profit? Would he not agree it is totally irresponsible for his administration to (a) have a situation where they are not repaying that bond so that at the end of that term the money is there to be paid off and not leave a legacy of debt to the next generation? And would he not also agree that the issue has to be that there have to be guidelines so there is consistency so that we in this hon. House know what debts are being taken on for the next generation? Will he assure this hon. Court that he is not pursuing a change of the old policy that the Island stays within the black and not in the red like many other administrations throughout the world, which I believe is folly?

The President: Chief Minister.

Mr Corkill: I think I ought to make it clear that the Isle of Man Government as such does not have the ability to budget for a deficit and does not and will not under legislation.

But with regard to the Manx Electricity Authority, I would just like to quote from enquiries that have been made in relation to this question, and they have said to me that we have taken the view that because of our policy on the repair and renewal of our infrastructure,

coupled with our statutory ability to set tariff, we will always be in a position to successfully refinance the bond. However, in order to avoid the potential consequences arising from market conditions that might be prevalent at the time when the redemption of the current bond issue falls due, the MEA will periodically assess opportunities to refinance the outstanding debt and assess future working capital requirements. Should it be deemed cost-effective to the authority, a full or partial restructuring of the debt may be effected. In this manner the authority may seek to mitigate the potential exposure arising from adverse market forces that may impact upon the costs of effecting a single debt repayment at that time.

So, Mr President, I have confidence in the ability of the MEA to replace our Island's infrastructure and I would congratulate them in the work that they have done to date. I am very pleased to see the new gas fired power station being delivered shortly. That has been possible because of this bond issue -

Mr Karran: Which I started.

Mr Corkill: - which has been good value for the people of this Island, and I think we should have confidence in the situation.

**Manx Radio –
Minimum Licence Requirements –
Question by Mr Karran**

Question 9. The hon. member for Onchan (Mr Karran) to ask the Chief Minister:

(1) *With reference to recent comments by Manx Radio's managing director that: 'In a few weeks' time the station's broadcasting day will contain dramatically less news, interviews and discussion about Island life and more simple, inexpensive musical programming':*

(a) *can you confirm that, under schedule 4 of its licence granted by the Communications Commission on 21st March 2000, Manx Radio is required: 'In determining the content of the speech-based programming . . . to include . . . the minimum hours of the specified essential elements in the programme service during the agreed hours of broadcasting';*

(b) *can you confirm that the existing news and current affairs programming is already close to the minimum requirements prescribed by the licence;*

(c) *can you assure this hon. Court that:*

(i) *there will be no question of relaxing or abandoning the minimum licence requirements for provision of news and current affairs programmes; and that*

(ii) *if Manx Radio runs out of money to provide such programmes, it will nonetheless still be required to comply with its licence requirement in these highly important aspects of its public service broadcasting remit; and*

(2) *are you aware that:*

(a) *Manx Radio is bound, under its licence, to comply with the Communications Commission's programme code, that sets out, in some detail, the requirement for 'due impartiality' in relation to coverage of political matters; and*

(c) *that this requirement includes that 'Reporting should be dispassionate and news judgements based on the need to give . . . an even-handed account of events. In reporting on matters of . . . political controversy, the main differing views should be given their due weight in the period during which the controversy is active'?*

The President: Hon. member for Onchan and, hon. members, I would point out that as we will be debating Manx Radio later, this will not become a debate at this stage. Hon. member for Onchan.

Mr Karran: Eaghtryrane, I beg to ask the question standing in my name.

The President: Chief Minister.

Mr Corkill: Mr President, I will answer the hon. member's questions in sequence, if I may.

In reply to the first part of the question, (1)(a), I can confirm that part of the text of Manx Radio's licence reads as quoted by the hon. member. The minimum hours referred to are, per week, averaged over a calendar month. Therefore, Manx news bulletins, travel and weather information, six-and-a-half hours; UK and International news, three hours; sport, three hours; religion, one hour; current affairs, including phone-ins and news magazine programmes, 10 hours. However, these essential elements may be modified pro rata when public holidays and periods when special schedules of programmes may

reasonably be expected to fall within periods of reckoning.

In reply to section (b) of the first part of the question, the answer is no. Manx Radio's current output in the mandatory categories comfortably exceeds its licence requirements. Latest Communications Commission data indicate that for Manx news bulletins, travel and weather, output is at least 27 per cent over quota, UK and international news is 50 per cent over quota and current affairs 35 per cent over quota.

Turning now to section (c) of the first part of the question, firstly the terms and conditions of Manx Radio's licence are for the Communications Commission to determine. Condition 13 of the licence provides that the commission may vary the licence provided that the licensee has been given a reasonable opportunity to make representations to the commission concerning the proposed variation. I have no information that the commission has any such proposals. And secondly, should any broadcasting licensee, including Manx Radio, fail to comply with any of its licence conditions including the requirements to broadcast particular categories of programming, the commission may give appropriate directions to the licensee to rectify the situation. In the extreme the commission may, if it considers it necessary in the public interest to do so, revoke the licence.

In reply to part (2) of the question, my response is that, yes, I am aware of the requirements on Manx Radio in common with all the Communications Commission broadcasting licensees to comply with the programme code which does contain a substantial section on due impartiality. The programme code does indeed contain the quote given in the hon. member's question. The same paragraph of the code goes on to say that editorial discretion will determine whether a range of conflicting views is included within a single news item or whether it is acceptable to spread them over a series of bulletins.

The President: Hon. member for Onchan.

Mr Karran: Eaghtryrane, the Ard-shirveishagh is aware that the minimum amount of news, travel and weather bulletins set by the Manx Radio licence is 6.5 hours per week, and a minimum level at the present time of the current affairs coverage is about 10 hours a week. Does he not agree that this needs to be looked at to be increased in order that people get the sort of public service broadcast that they want in this Island? And does the Communications Commission monitor the requirements for due impartiality in relation to the coverage of political matters, are they observed, and is he satisfied that they are observed?

The President: Chief Minister.

Mr Corkill: Mr President, in answer to the first part of those supplementaries, the hon. member quoted the hours that the broadcasting is expected to cover in particular areas as part of its licence and expresses a view that they should be increased, and I look forward to him contributing to that debate later on in this session when we talk about Manx Radio, because one of the key things in that report, without entering into that debate, is that there seems to be a firm public desire for enhanced public service broadcasting so that, one might conclude, would mean more hours of speech service within the station but we will perhaps cover that later in our debate.

With regard to impartiality, yes, the Communications Commission does have a duty and in fact has dealt with an issue regarding political impartiality only recently, I believe, to the satisfaction of both parties who were involved. Therefore impartiality is an important aspect of the licensing régime.

The President: Hon. member Mr Karran.

Mr Karran: Eaghtyrane, is the Chief Minister aware that the quality and balance of the coverage of the proceedings of the Commission of Inquiry into Mount Murray by Manx Radio's political correspondent, David Callister, has been subject to a formal complaint?

The President: Chief Minister.

Mr Corkill: I was not aware that a complaint, presumably, has been lodged with the Communications Commission in relation to those proceedings. I would not have been necessarily made aware of such a complaint because the Communications Commission has a statutory duty in its own right to deal with these things and, from my experience, does deal with them.

Legislation by Subordinate Bodies – Question by Mr Anderson

Question 10. The hon. member for Glenfaba (Mr Anderson) to ask H M Attorney-General:

Where, by an enabling Act of this hon. Court, limited law-making powers are delegated to a subordinate body, in determining whether to exercise those powers would it be procedurally relevant for the subordinate body to take into account the year when the enabling Act was passed, and/or whether there was a proposal to replace that legislation by new provisions in the future?

The President: Hon. member for Glenfaba, Mr Anderson.

Mr Anderson: Thank you, Mr President. I beg to ask the question standing in my name.

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

The Attorney-General: Thank you, Mr President. It is somewhat difficult to answer the question raised by the hon. member in so far as it invites my opinion on an abstract legal question. However, if legislative powers and functions are vested in a particular body, then one would expect that body to exercise those powers and functions in accordance with its statutory mandate. There may, however, be circumstances in which the primary and subordinate legislation has become stale and irrelevant and the subordinate body has an expectation of having new powers and functions vested in it which would more effectively achieve the object of the legislation. In such circumstances it may be reasonable for the subordinate body not to rely on the old powers and functions and await the new régime. Much depends on the particular circumstances and it is not possible, I am afraid, to give a more precise answer.

The President: Hon. member Mr Anderson.

Mr Anderson: Mr President, a supplementary. In the normal course of events, can the learned Attorney tell us how long it would take a government department who has delegated powers to bring forward small changes in the regulations if that department had the will to make them?

The President: Mr Attorney.

The Attorney-General: Yes, well certainly, Mr President, pieces of string come to mind here but it must, I think, depend on the priorities of the delegated body, the department. A very busy department may, of course, have to prioritise its functions and obligations to the public. Again, it is very difficult to speculate.

The President: The Lord Bishop.

The Lord Bishop: Thank you, Mr President. I appreciate the Attorney-General is dealing with abstracts. Could I ask him if he could say if there is any legislation in the pipeline from any government department making it possible for the Island to control the classification of films and, if not, could we produce our own cinematograph Bill?

The President: I think we are in danger of widening considerably but, Mr Attorney, I do not know whether you wish to respond.

The Attorney-General: Mr President, to the best of my knowledge there is no proposal in the current legislative programme to regulate cinematographic

publication, nor am I aware of a new piece of legislation.

The President: Hon. member Mr Karran.

Mr Karran: Eaghtyrane, a supplementary. Would the Attorney-General not agree that surely the law is the law, and if the law is there out for the man in the street then government departments should have to abide by the law when the law is there? And would he also not agree that it is quite wrong that we have a situation where they have the ability to change the law and yet they see fit to opt in and opt out of actually applying the law, and is this not the rôle away from what a modern democratic state should be doing?

The President: Mr Attorney.

The Attorney-General: Mr President, I find myself completely in agreement with the hon. questioner.

**Air Transport – Overbooking –
Protection for Consumers –
Question by Mr Singer**

Question 11. The hon. member for Ramsey (Mr Singer) to ask H M Attorney-General:

What protection does the law provide for the consumer who buys an airline ticket to board a flight to or from the Isle of Man if the airline has overbooked the flight and the consumer is turned away from the flight he or she has paid for?

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

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

The President: Again, I call on the Attorney-General to reply.

The Attorney-General: Yes, thank you, Mr President. A carrier which adopts a general policy of overbooking flights on the basis that this is a prudent business exercise to counteract ‘no shows’ - that is those passengers who make reservations on flights but do not turn up - should in principle be liable to a passenger who has purchased an airline ticket for a flight to or from the Island.

It was decided in a case in the House of Lords in 1976 that an airline was guilty of making a false statement under the Trade Descriptions Act 1968 of England by making a statement confirming a reservation for a passenger on a particular flight in circumstances where that airline had adopted a general

policy of overbooking flights. Since that decision it has been common for air carriers to seek to avoid liability for delay occasioned by overbooking by giving advice to intending passengers that terms such as ‘reservation’ and ‘booking’ give no absolute guarantee of seat availability on a particular flight. Such notices, however, must be read subject to the provisions of section 6 of our Misrepresentation and Unfair Contract Terms Act 1980, which requires any contract term between a consumer and another party, who carries out a contract by reference to standard terms of business, to be reasonable. It would seem that overbooking would constitute a breach of contractual obligations on the part of the air carrier, and it would be for the court to determine whether an exclusion of such liability was reasonable in terms of the 1980 Act.

I should perhaps add that the airline I used at the weekend to return to the Island stated that airline flights may be overbooked and that with few exceptions persons denied boarding involuntarily are entitled to compensation in accordance with rules which are available at all airport ticket counters and boarding locations.

The President: Hon. member Mr Singer.

Mr Singer: I thank the learned Attorney for his answer, but if the contract is a legal contract, then surely the answer of giving compensation is not satisfactory; can the learned Attorney tell me what steps a person can take who is affected by overbooking in order to receive full compensation rather than that just offered by the airline with whom they have an actual legal contract and have purchased a seat?

The President: Mr Attorney.

The Attorney-General: Thank you, Mr President. So often in modern contractual situations you find that the supplier of the services is able to limit its liability by standard terms of contract, and so often there are cases where you sign a contract, perhaps to hire a car, and on the back of the standard form there are all sorts of conditions and warranties and exclusions of liability. It is very, very common in modern commercial life to see a situation where the supplier of the service limits its liability, and so when one buys a ticket, the standard sort of ticket you find at the airport, true enough there are provisions in that ticket which exclude the liability of the carrier or at least limit its liability and, as I have said, Mr President, there are standard terms which limit the amount of compensation which the air carrier is prepared to pay. That is accepted commercial practice, Mr President, and the question which often comes before the court is, is that limit of liability reasonable?

The President: Hon. member Mr Singer.

Mr Singer: So is the learned Attorney saying that an airline can actually sell something that it does not have and can then limit on its own terms the compensation that is paid to the person to whom it has sold something that it does not have, and is there anything that our government can do to take action against an airline which cannot fulfil its contract, which is taken out in good faith by the customer?

The President: Mr Attorney.

The Attorney-General: Mr President, the answer to the first part of the question is yes, I entirely agree, and secondly, we have already, in our Unfair Contract Terms Act, attempted to mitigate the problems which air passengers can face by enabling the passenger to go to court and to say this exclusion of liability is not reasonable. If the court agrees that, then the consumer can get full compensation.

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

Mr Delaney: The Attorney has answered the question I was going to ask in relation to the responsibility of this.

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

Mrs Christian: Mr President, would the learned Attorney give advice as to whether or not it would be possible to draft legislation which would prevent this avoidance of liability rather than expecting a customer to go to court to resolve (**Mr Delaney:** Hear, hear.) what is reasonable or not?

The President: Mr Attorney.

The Attorney-General: Well, Mr President, I think we are wandering into a somewhat peripheral area here. The fact is that many, many airlines, as I understand it, do adopt a policy of overbooking, because of course passengers sometimes elect not to show and therefore the supplier of the service, the airline, counteracts that unconscionable activity on the part of the consumer by enabling itself to say, 'Well, if there is overbooking then we will have to limit our liability.' Mr President, this is a matter of policy for the airlines and I think it would be very, very difficult to legislate against that.

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

Mr Delaney: Yes, just going to that point where the airlines presumably have been paid for those seats already, so they have got the money in, so what problem do they have? They are just going to make more money by overbooking and selling the seats

twice; if somebody does not show up, they have got the money in the bank, so why should they gain from somebody else's unfortunate situation where they might be late for the plane?

The President: Mr Attorney.

The Attorney-General: Well, Mr President, I do not think it is my function to justify the actions of the airline –

Mr Delaney: Do you see the point?

The Attorney-General: I entirely agree. I myself have been caught out by that practice.

The President: I think a final supplementary, Mr Singer.

Mr Singer: Can the learned Attorney tell me, what is the legal position when somebody has booked a return flight and does not turn up for the first flight and then, for whatever reason, turns up for the return flight and finds that that has also been cancelled because they did not take the first leg of the flight? Is that legal?

The President: Mr Attorney.

The Attorney-General: Well, Mr President, I am afraid I am repeating myself now: it all depends on the terms of the contract which is set out in the ticket, and one would have to look at each particular situation and advise accordingly.

Land Registry – 2002 Report – Question by Mr Delaney

Question 12. The hon. member of the Council (Mr Delaney) to ask the Minister for the Treasury:

- (1) *Who designed and approved the 2000-2002 Report of the Isle of Man Land Registry;*
- (2) *what was the cost; and*
- (3) *for what purpose was the report commissioned?*

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

Mr Delaney: Mr President. I beg leave to ask the question standing in my name.

The President: I call on the Minister for the Treasury, Mr Bell.

Mr Bell: Mr President, in the 2000-2002 Isle of Man Land Registry report it was designed and approved by the legal officer with responsibility for land.

Part (2) of the question: the cost of producing 250 copies of the report was £703.41.

In answer to part (3), the report was commissioned to communicate the ongoing progress of the Land Registry over the period 2000-2002. It was considered appropriate to produce an official report that communicated progress over that prescribed period. The Land Registry is especially keen to be open to scrutiny and the report was considered a suitable vehicle to show the extent of work that had been undertaken to date.

The President: Mr Delaney.

Mr Delaney: I thank the minister for his reply. Could I ask the minister a series of supplementaries, Mr President? First of all, the minister, if he has a copy, will see that it contains fourteen-and-a-half pages of blank spaces, eleven-and-a-half pages are full, of which five pages are photographs; could he tell me whether he thinks it was money well spent? And could he also tell me how many quotations for this work we got under your regulations and who were the printers of this particular item? Could I ask him if he could view pages 7 and 11, a list of staff, and on page 7 it contains registry staff and both take up less than half a page and yet there are four blank pages adjacent to it?

The President: Treasury minister.

Mr Bell: Yes, Mr President, I am aware that the document has only been printed on one side. I and indeed Treasury, I do not think, had seen this document before it went out, although I am sure there would have been comments about this. I am told that had we printed on both sides of the pages it would have cost £556, so in effect it would have saved about £150 had we printed it on both sides. Quite why that was done I do not know, but I can assure the hon. member it will not happen again.

As far as the quotes are concerned, I cannot comment on that, Mr President. I have not got that information with me and, if the hon. member is reading the document - I have not got the document here - he will know who the printers were.

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

Mrs Hannan: Could I ask the Minister for the Treasury, Eaghtyrane, whether in future reports would be printed on recycled paper?

The President: The Treasury minister.

Mr Bell: I really do not know where it will be printed, Mr President. All I can say is that the message from Treasury - and this message applies to Treasury as well as everywhere else - is that the free-spending days of government are over (**Mr Delaney:** Hear, hear.) and members have got to understand that there is less money available for government expenditure from now on, and it will apply to Treasury in exactly the same way as everyone else. (*Interjection by Mrs Hannan*)

The President: Mr Delaney.

Mr Delaney: Thank you, Mr President. I agree with the minister's last comments about the free-spending days, but can I also ask, as the new corporate government is going to be in operation, could we ask for a practice amongst all departments which are producing material not for marketing purposes but for internal consumption to be standardised so that we can save more than the £150 he talks about? But I can assure him, looking at the library, there were at least 12 documents of a similar nature, all different coloured, all expensive and all bearing some difference to each other rather than standardisation for a corporate government.

The President: Mr Bell, Treasury minister.

Mr Bell: Yes, Mr President. The hon. member has a valid point. Government produces two styles of documents: one, which is clearly for internal consumption, I would agree entirely should be done in a standard format and in a basic readable manner which costs a minimum amount of money. I do not think we would have any trouble with that at all and we obviously would encourage that. The other element, though, of government publications, Mr President, is those which go to the wider public; it is not simply for internal consumption. It is, as the hon. member refers himself, partially a marketing document. A good number of the documents which are produced in fact go worldwide, particularly to do with the financial services industry, the comments which come out on the various reports from that, and therefore it is important that the Isle of Man presents a good image of itself at the same time, and really that minimal type of production would not be appropriate in those terms.

So, Mr President, there are two types. Treasury, again, certainly will be doing its best to encourage all departments to keep the cost of printing down. I would say, though, Mr President, there is probably greater waste in government expenditure on printing in a lot of the internal documents which are produced from departments which are not read than in the limited number of publications which are made, and that is where real savings could be made.

Mr Delaney: Thank you very much. Thank you.

The President: Hon. member of Council, Mr Gelling.

Mr Gelling: Being the political member responsible for Treasury for the registry, I would like to complement the minister on his replies to the questions, but would the minister not confirm that there were 250 of these documents and they have, as the minister has said, gone all over the world? All I can say, and I am sure the minister will agree, is that had they not taken a look at the Scottish one and designed it on the Scottish one and perhaps gone to the Irish one, that is all print until you get to the back and then it is all blank pages! So, Mr President, all I am asking is that this was their first attempt and they perhaps copied the wrong one. Would the minister not confirm?

The President: I think he would agree with that. *(Laughter)* Hon. member of Council, Mr Delaney.

Mr Delaney: Would the minister also agree we are not responsible for what they do in Scotland or Ireland, we are responsible for the money that the Manx taxpayers pay in and it is our job, as he said, to make sure that is spent well?

The President: Treasury minister, do you wish to agree that you will agree?

Mr Bell: I would love to agree, Mr President, and I can assure the hon. member that the Treasury team is united in its determination to ensure there is no over-expenditure on any aspect of government investment.

Mr Delaney: Thank you very much.

**Middle Sheading –
Provision of Health Care Facilities –
Question by Mr Quayle**

Question 13. The hon. member for Middle (Mr Quayle) to ask the Minister for Health and Social Security:

Due to the fact that Middle has had more of an increase in population over the last 10 years than most other areas, will you give consideration to providing community health care facilities as a matter of urgency?

The President: Hon. member for Middle, Mr Quayle.

Mr Quayle: Thank you, Mr President. I beg leave to ask the question standing in my name, sir.

The President: Minister for Health and Social Security.

Mrs Christian: Mr President, I can confirm the department's understanding that the population in the House of Keys constituency of Middle rose by 919 between the 1991 and 2001 census. In developing its community-based health care facilities the department has regard to many factors, one of which is the recognition of the likely demand arising from the population of any particular area. At the present time our priorities for development, dictated by the capital and revenue-spending constraints, do not include facilities in the constituency beyond, of course, the new hospital, which will be coming operational next summer and a £3 million plus long-term care unit for the elderly mentally ill, the construction of which is planned to begin next year at Cronk Grianagh.

The President: Hon. member Mr Quayle.

Mr Quayle: Thank you, Mr President. In thanking the minister for that reply, could I refer to the fact that 3,221 people live in Middle, plus the children, and would she not agree with me that it would be desirable to ease congestion in Douglas and, with so many people now actually employed in the sheading of Middle, it would make a great deal of sense to locate community health care facilities in the central valley area, particularly as almost 7 per cent of the electors live in my constituency and there has been, as she recognises, a 30 per cent increase in population there in the last 10 years with a lot more houses to come if the Braddan plan ever gets published and the Marown one will be considered?

The President: Minister for Health and Social Security.

Mrs Christian: Thank you, Mr President. The hon. member will be aware that in the department's overall strategy there is a policy of developing community facilities in addition to our acute facilities at centres in the north, south and centre of the Island, and it is intended that each will have a range of community health care services, including facilities such as physiotherapy, occupational therapy, audiology and chiropody and so on. Now, the hon. member may be talking on a wider basis in terms of GP practices, primary health care facilities with district nursing, health visitors and so on. The department, as the hon. member will be aware, has been in the process of carrying out a review of the current provision and discussing with general practitioners and so on the current loading of practices, the requirement to reduce numbers in certain areas and indeed make extra provision in other areas. That draft report has recently been concluded and the department will be giving consideration as to how that will be developed in the years ahead.

The President: Hon. member for Michael, Mr Cannan.

Mr Cannan: Will the minister agree that while there may be a good case for Middle, the case for Michael (*Laughter*) has been on her desk for years and the primary health care situation in that constituency is deteriorating almost daily? Half the surgery is closed, there is a big increase in residential development and the service that people want is basically, to start with, primary health care in the community they live and the provision of a doctor's surgery, and will the minister agree that while there may be a good case for Middle, there is an existing, deteriorating, substandard provision in the north-west of the Island.

The President: Yes, well, hon. members, we are not going round the constituencies; I think the hon. member for Michael has made his case. Hon. member for Glenfaba. You can come back just now, Mrs Christian.

Mr Anderson: Thank you, Mr President. Would the hon. minister agree with me that the department must respond to the most urgent areas in primary health care and that Douglas is the most urgent need (**Mrs Cannell:** Hear, hear.) of increased health care as they have the only GP practices at the moment that are actually closed for new patients, and that this is a priority within the department?

The President: I thought we might be going round the Island! Mrs Christian, you may reply.

Mrs Christian: Mr President, I will try and avoid the tour of the Island, but indeed there is a recognition that there has been considerable growth in the Douglas area and there are current problems. In conjunction with our development of the central community health facility it is possible that there may be the development of a GP practice at the current Westmoreland Road site when we vacate the Noble's Hospital site and move to the new hospital.

I do acknowledge that there has been a growth in population in Kirk Michael. It is recognised that there is a need for further facilities in the north – well, indeed in most areas of the Island, but I have to point out to the hon. member that the growth in Michael at 8.4 per cent does not rank with that in Middle at 25.5 per cent and, as my hon. colleague, the member for Glenfaba, has indicated, the department will be evaluating the development of the new services on the basis of priorities in terms of resources given to us and no doubt we will be looking at the areas with the very greatest pressures first.

The President: Hon. member Mr Quayle.

Mr Quayle: Thank you, Mr President. In thanking the minister for the replies that she has given, I can only return to the fact that, if she would agree with me, encouraging further GP facilities and dental facilities in Douglas is only adding to the congestion of people

getting in and out of Douglas? Only the other day somebody had one occasion to try and get into Douglas and spent 40 minutes trying to get a car park. Could I ask if the hon. minister would take into account the fact then that the provision of a GP's surgery or a dental surgery, both ideally together, would enjoy the support of myself as the MHK for the area, along with the support of the two parishes of Braddan and Marown that I have been in contact with? And could I ask her, could she liaise with both of those parishes, because I feel sure that they would be very helpful in identifying a suitable location at the earliest opportunity and that that would ease the situation?

The President: Mrs Christian. I think she would agree with all of that, too.

Mrs Christian: Yes, I thank the hon. member for his support in assisting the department to develop facilities in a variety of areas. Whilst the hon. member indicates that his colleagues in those various organisations may be able to indicate to us a site, what they cannot do is give us the resource to pay for it, and I do regret to tell the hon. member that at this stage we will have to develop this programme on the basis of priority and the resources available to us, but I do acknowledge that there are pressures throughout the whole of the Island, and in particular the growth in his area has been greater than anywhere else and we will take that into consideration.

The President: Hon. member of Council, Mr Waft. Thank you, Mr President. On the item of community health care, is the minister aware that, despite the magnificent efforts of the Red Cross and others, there are still 30 people of no fixed abode squatting in the Douglas area, mainly due to alcohol problems?

The President: Minister to reply.

Mrs Christian: Mr President, I note the comment of the hon. member. It does not directly impinge on community health care facilities. It is an area which is covered by the Alcohol Advisory Team where people can be given assistance only if they are willing to take it. The housing issues, Mr President, are not the responsibility directly of my department.

Landfill Sites – Treatment of Leachate – Question by Mr Anderson

Question 14. The hon. member for Glenfaba (Mr Anderson) to ask the Minister for Transport:

- (1) *Would you confirm that leachate and run-off from engineered landfill sites containing bottom ash are routinely discharged into*

sewage treatment plants similar to the IRIS system; and

(2) *is it an appropriate way to treat such liquid?*

The President: Hon. member for Glenfaba.

Mr Anderson: Thank you, Mr President. I beg to ask the question standing in my name.

The President: The reply is in the hands of the Minister for Transport, Mr Shimmin.

Mr Shimmin: Thank you, Mr President. In answer to part (1) the acceptability of discharges or leachate and run-off to sewer or sewage treatment plants depends on the quality and quantity of the leachate and the nature and capacity of the sewage treatment plant. It is normal practice in the United Kingdom for the leachate to be pretreated prior to its discharge to sewer or sewage treatment plant.

In answer to part (2) it is only appropriate to discharge leachate to a sewer or sewage treatment plant if the quality of the leachate is at a standard that meets the agreed discharge consent. This is to ensure that the liquor to be discharged into the sewer system does not compromise the treatment processes.

Mr Anderson: May I thank the minister for his reply. Bearing in mind his reply, can he confirm that the IRIS system is capable of taking effluent if the effluent comes up to the standards he requires? The IRIS system has the capacity to take off an integrated system that would be likely to come from a landfill site.

The President: Minister for Transport.

Mr Shimmin: Yes, Mr President, provided the discharge consent was issued by the department we would have capacity to take something provided it satisfied our requirements, sir.

The President: Hon. member Mr Quayle.

Mr Quayle: Thank you, Mr President. In consideration of the answers given by the hon. minister, would he agree with me that it would be a relatively straightforward exercise to connect Knock y Loughan up to the IRIS scheme if it was to be used as a landfill site and that this would be easier and less costly than trying to connect Archallagan plantation to the IRIS project?

The President: I cannot find any reference to Knock y Loughan on the question paper. We will turn to question 15.

Mrs Hannan: Mr President, could I ask a supplementary?

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

Mrs Hannan: Could I ask the Minister for Transport whether, when the IRIS scheme is up and running, he will be taking the leachate from the Raggatt site as opposed to it going into the sea at Peel?

The President: Minister for Transport.

Mr Shimmin: Mr President, as I said before, provided there is an adequate pre-treatment process, which would apply at any of the sites where leachate was produced, which satisfied the quality, then that would be something that would be under consideration. I certainly am not aware of the ideal circumstances within the area in question, but I am quite happy to discuss that further with the member, sir.

The President: I will return to the hon. member Mr Anderson for a final supplementary.

Mr Anderson: Thank you, Mr President. Can the hon. minister confirm that the main transmission line of IRIS running along the old Castletown Road at the top of Crogga Hill has a station where it changes from being a pump system to a gravity system towards Meary Veg and at this point there is potential to add to the system?

The President: Minister for Transport.

Mr Shimmin: Mr President, it is true that there is a gravity sewer laid in Oatlands Road. The flows in this sewer are pumped into the break pressure tank and then to Meary Veg for treatment. It is feasible that liquor meeting at the department's discharge consent could be discharged into the sewer, however, the primary purpose of my department would be to ensure that the pre-treatment process did not compromise the viability of the Meary Veg treatment works.

Air Transport – Overbooking of Seats – Question by Mr Singer

Question 15. The hon. member for Ramsey (Mr Singer) to ask the Minister for Transport:

(1) *Are you aware –*

(a) *of the practice of British Airways of overbooking seats on the Liverpool to Isle of Man route;*

(b) *of the percentage of seats subject to this practice; and*

(2) *does Euro Manx, which has very recently begun services on this route, have the same practice of overbooking seats?*

The President: Hon. member for Ramsey.

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

The President: Minister for Transport.

Mr Shimmin: Mr President, in answer to the first part of the question I have obtained the following information from British Airways CitiExpress - and I quote: 'Overbooking is carried out on flights where there is a known rate of 'no shows,' enabling our customers to make use of seats which would otherwise be unfilled. This practice is subject to very careful analysis of historical data and not all flights are overbooked. On the Liverpool route no more than an average of 3 per cent of seats are overbooked.'

In answer to part (2) of the question, Euro Manx have informed me that they have taken a policy decision not to overbook any of their flights and that they do not foresee any change to this policy.

The President: Hon. member Mr Singer.

Mr Singer: I thank the minister for his reply and we know British Airways CitiExpress use the historical data. I had two cases of travellers being refused seats from Liverpool the weekend before last. Has the minister had any such cases brought to his attention and is the minister aware of British Airways operating a similar overbooking policy on any other route from and to the Isle of Man other than Liverpool, and what action will the minister take to attempt to ensure that both residents and visitors to the Island who may only be coming here for a couple of days will not have their arrangements totally ruined by the clear greed of British Airways?

Members: Hear, hear.

The President: Transport minister to reply.

Mr Shimmin: Thank you, Mr President. I have said before that I do not stand here as a representative of British Airways. Certainly I was unaware of it until the hon. member put this question down or made comment to me that this was a problem. Now that it has been identified - and I am grateful for the Attorney-General's comments previously which explain the contractual difficulties where now everybody is going to have to be more aware of the small print in these matters - it is something that I intend to take up further with British Airways in January at our next meeting.

I would identify that the main reason historically why Liverpool is likely to be used is the fact that the

Liverpool route currently carries over 10,000 DHSS patients a year, and cancellation of hospital appointments and or illness will inevitably result in 'no shows,' which I believe is why the company takes this policy decision on that route. However, it is a practice which is certainly causing concern to individuals. I do not believe it should happen; however, whether we have the legal powers I now have to investigate, sir.

The President: Hon. member Mr Singer.

Mr Singer: In saying that, is the minister saying that the latest flights on a Friday night are the ones on which DHSS passengers make 'no show?' Is that a fact? I do not believe it is. But would the hon. minister agree that there is little difference between purchasing a ticket on a Liverpool/Isle of Man route and buying a ticket from Camelot, because both are a lottery, and would he encourage travellers to purchase seats from airlines that do not have a policy of overbooking to and from the Isle of Man such as Euro Manx?

The President: Minister for Transport, Mr Shimmin.

Mr Shimmin: Mr President, I realise the strong sense of frustration the hon. member has, as do indeed many members of this Court and the public of the Isle of Man regarding service in air capacities on the Isle of Man. It is not one that I or any member takes flippantly, it is one that we are all concerned about trying to improve the value of the service, the quality of the reliability of services on and off the Island for our own residents, for people doing business, and indeed for the tourists coming to our Island.

The issue regarding the capacity on these planes has been identified and certainly the establishment of competition on these routes is a reflection of a dissatisfaction with certain elements of the current service; that has reduced some form of competition and price reduction. My department is currently talking with all operators currently using the Island and indeed others who are considering it. We know that we have a responsibility to try and ensure good, reasonably affordable and reliable air services. That is our intention. We continue to do that despite all the numerous complaints we receive from both members and the public.

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

Mrs Christian: Mr President, has the hon. minister any statistics to indicate that 'no shows' by patients travelling by the DHSS would be significant or indeed an argument for an overbooking strategy? Would he not agree that 'no shows' by anybody are still not an argument for overbooking policy (**Mr Delaney:** Hear, hear.) and that people should be aware of whether or not they can have a seat, and if

there are no seats available, at least to go on a standby list in the knowledge that there may be some 'no shows'?

The President: Transport minister.

Mr Shimmin: Mr President, I did not intend to imply that the DHSS passengers were the cause of this policy of the British Airways CitiExpress group. I am aware that Manx Airlines historically did complain about the number of business people who had booked several fully flexible tickets at once, knowing full well that they only intended to travel on one of the flights. They would pay for the ticket on departure and the airline would be left with several empty seats not paid for. Certainly, if there was no overbooking at all then one also has to think of the people who might be very keen to travel on a certain flight at short notice who are told the flight is full but subsequently learn it had left with empty seats. Some of those persons may indeed accept an overbooking policy.

It is one which we do not like. It has now been identified as a problem and we are attempting to find out the scale of that problem. The information regarding the Liverpool flights is one where it is our major route in and out of the United Kingdom to the north-west. The company believes that it benefits all passengers because they can keep the average ticket price down. All of this is one which is subject to further consultations. This issue has only been made aware to me within the last two weeks and therefore I ask the House to accept that this will be discussed. We are not hiding this under the table. It has been identified. It is an area where the company believe that their policy is acceptable to their business practice; it is not acceptable to the Isle of Man Government or the people who use the service.

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

Mr Houghton: Thank you, Mr President. The hon. minister will be aware, as Chairman of the Office of Fair Trading, that this broad remit really comes under the remit of the Office of Fair Trading. Could I ask that the minister and his department liaise with my board in order to pursue this issue and help liaise with those complaints as the appropriate conduit for that, sir?

The President: Minister.

Mr Shimmin: Indeed, Mr President, I remember a conversation fairly recently that I had with hon. member in order to do just that. It is not just on the fact of overbooking; there are a number of issues that are of concern and many of those will fall down into the Office of Fair Trading and I am grateful for that offer. Indeed, much of the problem emanates not just purely on the Isle of Man but also with the contractual way in

which airlines are operating, and it is common practice. British Airways CitiExpress are carrying out an international style of approach which is not suitable to the Isle of Man; we are not used to it (**Mr Delaney:** Hear, hear.) on the Isle of Man and we now have to see if there is anything legally, or through the office of Fair Trading or through my good efforts, to try and improve the situation.

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

Mr Delaney: Thank you, Mr President. The minister will have heard my question to the learned Attorney earlier on in relation to the fact that they have the money in their pockets as soon as people book, but also, when he is negotiating and talking to them about this problem, would he not agree with me that he should bring up the point that he also denies those passengers who have paid these fares and who think they have booked a seat the alternative flyer to Liverpool, certainly, where they may have gone on an alternative flight and if they knew that the seat was not available, they would have taken that alternative to Liverpool and other destinations?

The President: Minister.

Mr Shimmin: I think, Mr President, once people are aware of this policy, that may be their first choice as opposed to their reserve choice. Certainly the issue regarding the payment already made to the company is one which has been raised with the airline operators and they do argue that on fully flexible tickets where people choose at short notice to take a discounted fare, the airline company finds that they actually lose out. Rather than having a double whammy of being paid twice, the no-shows are actually caused by fully flexible tickets which are then changed and transferred, leaving flights to leave 'unfull' - if there is such a word. (*Interjections and laughter*)

So it is a matter that the company will defend and have robustly defended the policy of not allowing flexibility on the discounted tickets. The hon. member shakes his head and I am quite happy taking this up further with him because, as the Attorney-General outlined, there is a complex area here. The difficulty is the number of different tickets available to passengers on planes. What we have are non-transferable, discounted tickets and we have fully flexible tickets. (**Mr Delaney:** Yes.) It is the combination of the various different types of tickets which actually produce a number of no-shows which damage the airlines economics or those who turn up and have been overbooked and therefore suffer with the compensation being offered, which is unacceptable.

The President: Hon. member of Council, Mr Gelling.

Mr Gelling: Yes, just really to ask the minister that when he is meeting with BA in January, there is also another problem with this no-show, and that is that if you arrive at an airport on the last stage coming back to the Isle of Man well in time for the earlier flight, they now will charge you to take the earlier flight when in fact it used to be they would encourage you to take it because that would leave them a later flight seat, and I think that is also one of the reasons they are getting no-show.

Mr Houghton: Hear, hear.

The President: Mr Shimmin to reply.

Mr Shimmin: Mr President, I could not agree more and this is an issue that the tourism minister and myself took up at the last meeting. Mr Delaney in the tourism department may be aware of some of the conversations that have taken place. Indeed, we have attempted to try and address this with British Airways CitiExpress in the same way which Manx Airlines operated their previous service. Their difficulty and their objection to doing so is that they publish a discounted non-transferable ticket, and they argue that, were they to actually allow what has been outlined by the member of Council, the persons would be encouraged to buy fully flexible tickets and then at short notice try and get the extra seats that are available. This is a business decision which the airlines operate not in isolation as other airline operators carry out the same practice. We are not used to it on the Isle of Man. We do not like it; we are arguing against it. We are trying to increase the volume of traffic to the Isle of Man and some of these practices work against that very target.

The President: Hon. member of Council.

Mr Delaney: Would the minister when answering me please clarify: are the dearest ones top dollar or the fully flexible tickets? They are already getting top price for them so in fact they lose out on them or they might have no-show; they have already got top dollar for those seats. Would the minister not agree with me?

The President: Minister.

Mr Shimmin: I could quite happily sit down with the hon. member for some time over this issue because he seems to see it as a simple case and it is not. It is one where the complexities outlined by the Attorney-General as to how airlines will find ways of legally getting around some of what we would consider to be their responsibilities. The fully flexible ticket guarantees a seat but is also fully flexible, which means that the person owning that ticket can transfer at short notice and thereby will be a no-show on occasions. That is where the problem to the airline exists. That is part of why they overbook and, when all

of those people with guaranteed tickets turn up, that is where the individual members of the public are caused concern. (*Interjections by Mr Delaney*)

The President: A final supplementary by the hon. member, Mr Singer.

Mr Singer: Thank you. Will the minister agree that the principle of issuing fully flexible tickets is in fact a business policy of the airline but, because of that business policy, people are being penalised who have in fact have had a legal contract with the airline to provide them a seat? And as he is aware of the clear concern of hon. members and the public and the importance of this matter, will the hon. minister inform hon. members and the public of the result of his discussions with British Airways on this subject, either the success of his discussions or otherwise?

The President: Minister to reply.

Mr Shimmin: Mr President, I think we are in danger if we start to imply that there is any legal problem with what British Airways CitiExpress or indeed any other air carrier are doing. I am sure that they can speak for themselves, but this is an issue about the policy of an airline; I am sure they will comply with all legislation required, it is a change which we do not like and it is one which we are addressing. Certainly myself and the tourism minister who will meet with the company in January, take up many and numerous issues regarding trying to improve the service to try and understand the needs of the Manx travelling public and tourists to the Island and to try and allow them to be more flexible in their interpretation of those conditions. What we are all aware of is that we are dealing with a large international company which sees the Isle of Man as only one small part of that service. We are attempting to get bespoke issues for the Isle of Man. However, I would say we operate an open skies policy and other competitors are looking very closely at the practices being carried out at present and they have an interest in coming to the Isle of Man because they see there is an opportunity to improve the quality of service for the passengers travelling to and from the Island, which is what the tourism department, myself and all members wish to encourage. (*Interjections*)

Loaghtan Meat – Exhibition in Italy – Question by Mr Delaney

Question 16. The hon. member of Council (Mr Delaney) to ask the Minister for Agriculture, Fisheries and Forestry:

- (1) *Was your department pleased to see Manx Loaghtan meat represented at the Salon*

*Delgusto, Turin, Italy, in October this year;
and*

- (2) *what was the amount of support given to our exhibitors?*

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

Mr Delaney: I beg leave to ask the question standing in my name.

The President: I call on the Minister for Agriculture, Fisheries and Forestry, Mr Rimington, to reply.

Mr Rimington: Thank you, Mr President. The department was aware, through recent discussion with representatives of the Manx Loaghtan Produce Company, of the proposed visit to the Salon Delgusto to publicise Manx Loaghtan meat. There is much talk today of niche marketing opportunities. The department therefore complements the produce company (**Mr Cretney:** Hear, hear.) for their initiative in attending this show, which highlights the benefits of slow food, slow as opposed to fast food, concentrating on taste. Late maturing Loaghtan lamb with its low fat content and distinct and unique taste exactly fits this category. The department hopes that interest shown in Loaghtans will translate into orders for the meat and thereby the Isle of Man.

It is understood that the company received no government financial assistance for the trip. As advised, the department was informed shortly before the intended visit but regrettably has no discretionary marketing budget or authority to provide help in such areas. The department of tourism has advised that it, too, would not have been able to provide financial assistance through any of their promotional budgets. The department, however, believes that the DTI does have schemes for providing assistance to eligible businesses involved in processing commodities. We believe that, had an approved development plan been submitted to the DTI, a contribution towards the cost of the visit may have been forthcoming.

For the information of members the Isle of Man Government, through my department, offers significant support to this part of the industry, having introduced this year the Loaghtan ewe annual premium scheme which provides for the payment of an annual premium to Loaghtan flock owners. The scheme is designed to provide financial support for a period of five years whilst markets for Loaghtan meat for home and export are developed. This year a sum of £26,000 will be paid to 10 flock-owners. I can also advise that some 300 Loaghtan carcasses have been sold by the produce company to date this year.

The President: Mr Delaney.

Mr Delaney: I thank the minister for his reply and I am delighted, as we all are, to hear of his support for the Manx Loaghtan, which has found this very niche market in the world. Could I ask the minister, bearing in mind the part of the reply where there is no budget to market the produce he spends the taxpayer's money in supporting in agriculture, could we see the possibility, between you and the department of Industry, of putting forward a package so that the money you have already announced you are going to spend on new flocks and the Loaghtan sheep support for the future in marketing this particular product, which is uniquely Manx and which has the possibility, particularly of a low cholesterol and, as you have outlined, the low fat content, of finding a very successful market out there with support? It will be done much quicker with your support, minister - would you not agree? - than it will just being let out there to go its own way.

The President: Minister to reply.

Mr Rimington: I do agree with the principle that through the agency of the Isle of Man Government we should be able to support products such as this when they are being promoted abroad. My department does not have, as I have outlined, any budget in that respect, nor does it have any expertise in terms of marketing. The expertise in marketing primarily lies within the hon. member's own department and also with DTI and also within Treasury. I would welcome moves to improve our collective marketing strategy and collective branding of Manx products so that products such as this can benefit from that. Now, obviously, if the department which has responsibility for the primary producers can have an input into that, I think that would be the most appropriate way forward rather than trying to develop yet another little area where there is an attempt at marketing going on which we will probably not do very well.

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

Mr Downie: Yes, thank you, Mr President. I would like to ask the Minister for Agriculture, what responsibility does the Isle of Man Fatstock Marketing Association have for marketing Manx produce, bearing in mind the protection that organisation enjoys, and is the minister aware whether the Loaghtan producers actually approached the marketing association for assistance to market their niche product?

The President: Now, hon. members, it might be a good question but we do not want to go into a marketing society debate. The minister can reply in relation to the support given.

Mr Rimington: Well, I do believe that there is a responsibility there with the marketing society to

promote the products. I do not, in this particular instance, think there was an approach made because I do not think relationships between the Loaghtan Produce Company and the Marketing Association have been exactly wonderful in recent times, and one would hope that in future perhaps a change might come about.

Mr Cretney: Hear, hear.

The President: Hon. member for Michael, Mr Cannan.

Mr Cannan: Mr President, can I say to the Minister for Agriculture that the introduction of the ewe premium scheme or Loaghtan flock is to be welcomed, the question is: has the national flock increased due to the introduction of the scheme this year, and has your department made any payments in relation to that scheme this year because it is dependent - will the minister not agree? - on the premium scheme functioning properly and that it will encourage flock-masters to increase their flock in the knowledge that they will get payments under the scheme? The important question here is: has the flock increased and has your department made any payments in terms of the order?

The President: Minister to reply.

Mr Rimington: Well, on the first part, the payments are actually taking place at this moment in time -

Mr Cannan: So you have not made any payments to date?

Mr Rimington: I am not sure exactly what the run date is that they are going onto. It may well, in fact, be today. I believe there is a run date today -

Mr Cannan: Thank you.

Mr Rimington: I have no guarantee, but I have seen the actual list of who is being paid what at the moment in time and, yes, we understand there has been some increase in the flock. The scheme does give us a responsibility, with Treasury, to make sure that the development of that market for the Loaghtans is there before it is extended to increase the numbers, i.e. there is not just an open cheque should the flock increase unless the actual marketing of the product - and there is a demand for that product - has to be shown. It is a very complex area because obviously, unlike normal flocks where you are dealing with lambs being produced and sold in the same year, with Loaghtans the lambs are being produced and sold in the following year because they are slow maturing, so therefore we are getting into a slightly more complex area of determining growth, how many are going to be taken for slaughter and how many for breeding.

The President: A final supplementary, hon. member, Mr Delaney.

Mr Delaney: Thank you, Mr President. Will the minister not agree with me that he was informed that, as much as the tourist department would like to support such ventures, it would be illegal for us to do so as it is outside our remit? And secondly, bearing in mind his last answer to the member for Michael, would he not agree with me it is better now to get some sort of plan operating than leaving it to go its own way in relation to Loaghtan sheep, otherwise we are paying for larger flocks of this particular breed but not having the market to sell them into?

The President: Minister to reply.

Mr Rimington: At this point in time the question has been asked of the department, would we increase the total flock outside in a total payment and we have declined at this point in time because, as I say, we need more evidence of increased markets although we are prepared to make an adjustment to the individual flock size within the overall number. I do agree that, yes, it does need promotion but, I repeat, the Department of Agriculture with its limited expertise in that area is probably not the right area.

Schools – Visits by Department Officers – Question by Mrs Hannan

Question 17. The hon. member for Peel (Mrs Hannan) to ask the Minister for Education:

- (1) *How many visits to schools by department officers occur each year;*
- (2) *why can these officers not judge standards in our schools; and*
- (3) *is there someone in your department for the schools to turn to for help and support when they have difficulties?*

The President: Hon. member for Peel.

Mrs Hannan: Eaghtyrane, I beg leave to ask the question standing in my name.

The President: Minister for Education to reply.

Mr Rodan: Mr President, with respect to visits to schools the Department of Education officers record contacts with schools and the Isle of Man College in hours rather than days, as this is a more accurate measure of time spent. Officers record their contacts electronically with all records being held in a database which, when interrogated, enables the department to ascertain the amounts of time individual officers and

various teams have spent in schools and the college. In addition, the department is also able to see the total time given to each school and the college.

This system was only introduced in January this year and is currently being refined following its evaluation. These revisions will also take into account the department's business plan and post-Ofsted action plan, key headings and areas of work. Steps are also being taken to extend this method of recording to other sections within the department such as the finance team, youth workers and the careers service.

During the period, therefore, Mr President, from 1st January to November 2002 the total term time spent directly in schools and the college by individual officers in the advice and support sections, special educational needs teams and the youth and community adviser totalled 9,667.5 hours, which is approximately 1,757 days. Advisers and support staff spent 2,140.3 hours in primary schools and 1,363.1 hours in secondary schools; 79.3 hours was spent in the college, special needs staff spent 3,595.6 hours in primary schools, 1,325.2 hours in secondary schools, 20 hours at the college and 20.6 hours at the Glen offsite unit at Glencrutchery. These figures do not include work done in support of schools and the college that would have been undertaken in the office or all meetings involving specific groups of teachers or headteacher working party meetings. Those figures are available and are significantly in excess of those I have just referred to.

The level of direct contact for each individual school and the college is also calculated. The number of contact hours obviously varies from school to school depending on whether they are receiving periods of intensive support - for example, from the literacy and numeracy team or because the school may have a unit supporting pupils with special needs or may be facing particular difficulties.

Of our 35 primary schools, Mr President, 20 schools receive up to 150 contact hours; 15 primary schools received in excess of 150 contact hours, with five of those schools receiving up to 700 hours. Secondary schools received between 314 and 599 direct contact hours. The school received 200, the college received 202 hours and the Glen 107 hours.

As to officers judging standards in our schools officers do make judgements by analysing a range of information such as performance data, school visits and inspection and review outcomes, especially when identifying primary schools for intensive support in literacy and numeracy. However, not all visits to schools involve activities that would enable officers to make judgements about standards and quality across the school. For example, a visit may focus on supporting strategic planning, recruitment interviews or inservice training and not involve making direct judgements on, for example, the quality or standard of classroom teaching. Currently visits focus on support and advice and not inspection although it is entirely possible that visits may have been triggered by officer concerns regarding emerging trends, for example

declining pupil performance. As schools are increasingly moving towards school self-review, officers will have a more structured rôle to fulfil in supporting schools assess their strengths and weaknesses. However, there still remains a need to have a programme of reviews undertaken by teams that are external to the school and who will apply criteria which will seek to validate or otherwise the school's own judgements of standards and quality. This external perspective will provide the schools, college and department with the evidence that will confirm that our own school self-review procedures and processes are rigorous and that the judgements arising out of the process are accurate and reliable.

Finally, as to someone in the department for schools to turn for help, officers provide advice and support to schools when they are faced with difficulties. The nature of the difficulties will obviously determine the officer most appropriate to offer the help that is required. We are currently developing the rôle of the patch adviser so as to establish a particular contact adviser who will have detailed knowledge of a number of schools in a particular group. The patch adviser rôle will form a strand of strategy for supporting school improvement. However, if the difficulties facing any school are so significant, a co-ordinated approach to the support from a number of officers will be secured through the deputy director who now has a very specific remit for school improvement in consultation with the director.

Schools – Ofsted Visits and Reports – Question by Mrs Hannan

Question 18. The hon. member for Peel (Mrs Hannan) to ask the Minister for Education:

- (1) *What is the cost of using Ofsted to inspect our schools;*
- (2) *how many visits per year do they make;*
- (3) *how many inspectors are involved;*
- (4) *are you satisfied that all the information in the reports is correct; and*
- (5) *why are they published?*

The President: The hon. member for Peel.

Mrs Hannan: Eaghtyrane, I beg leave to ask the question standing in my name.

The President: Minister for Education.

Mr Rodan: Mr President, part one of the question: can I say for the avoidance of misunderstanding that the department has not used

Ofsted itself to inspect schools but has contracted with an external agency, the Northamptonshire Inspection and Advisory Service, known as NIAS, to provide an inspection of each school. All of the NIAS inspectors are Ofsted-trained and registered and the format of the inspection is broadly but not exactly along Ofsted lines.

The cost of each inspection varies according to size of school and number of inspector days required. The cost for a primary school is typically in the region of £12,000 to £14,000, whereas the cost for a secondary school would be in the region of £25,000 to £30,000. Total costs for inspecting the 35 primary schools over this immediately ending four-year period has been approximately £450,000, or an average of £112,000 a year between 1998 and 2002. Total costs for inspecting the five secondary schools have been £140,000 over the three-year period 1998 to 2000, or an average of £47,000 a year.

Part (2) of the question: the department decides on the frequency on which schools are inspected. Primary schools have now all been inspected at the rate of nine per year between 1998 and 2002. Secondary schools likewise have all been inspected 1998 – 1, 1992 – 2 and the year 2000 – the last two.

The number of inspectors involved depends upon the size of the school and its particular features, such as having a special unit. Some inspectors are involved for five days and some are involved for two or three days. For a typical primary school between four and six inspectors are deployed; for a secondary school the number can range from 12 to 14.

As to information in the reports being correct, the inspection reports have provided a detailed analysis and evaluation of the strengths and weaknesses of each of the schools. The head teacher has been given the opportunity to check the report at the draft stage for factual accuracy and, if corrections of facts are required to be made, the department has no hesitation in sending the report back for such correction. The judgements and conclusions reached are a matter for the inspectors and form the basis of future action within the schools.

These judgements and conclusions are reached on the basis of written evidence, observations, interviews and scrutiny of pupils' work. The report is structured around standard attained, quality of teaching and learning, leadership and management and social, moral, spiritual and cultural provision.

Judgements made are a snapshot in time and clearly, after the inspection as the school develops and addresses the issues identified, the report's conclusions made at any particular time may no longer apply. Finally, Mr President, inspection reports are published in accordance with the government's code of practice on access to government information and also because they provide responsible information to all members of the community, including parents, who may well wish to have it. Thank you, Mr President.

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

Mrs Hannan: Thank you, Eaghtyrane. Could I ask the Minister for Education whether there is any support for schools and whether there are any personnel managers, any advisers that help schools once these documents have been published?

The President: Minister to reply.

Mr Rodan: Yes, indeed, Mr President. There is a programme of support worked up as part of the post-Ofsted action plan process where this is required. In addition, headteachers typically would have mentor support from a headteacher of an equivalent school in another education authority area with whom they can readily get sources of advice and direct support. I believe that, as far as support for schools is concerned, the department has a lot of useful work still to develop in this area so that indeed we can provide the support better and more systematically.

The President: Hon. member for Peel.

Mrs Hannan: Thank you, Eaghtyrane. The minister stated that these were snapshots in time. Does he consider that Ofsted reports are a useful management tool and could he also explain the reason for the publication? It is all very well having information to the public, but when it is the very first inspection that has taken place and it may be changed the educational profile of the school, is that wise to publish it initially without being assessed prior to that?

The President: Minister to reply.

Mr Rodan: Mr President, the department is absolutely clear that this inspection process has been a useful management tool for the schools concerned and have given critical management information to the department to help the department identify the needs of particular schools.

As to the question about whether it is wise to publish first inspections, well, I think the department could be validly criticised if it did not publish or make available to the public and to the parents of the schools this particular information. That is the reason we make it a public document because it has publicly relevant information to see how effective schools are.

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

Mr Earnshaw: Thank you, Mr President. Does the department have any plans to review arrangements with Ofsted and to consider instead moving towards the systems which I understand are adopted by schools in Wales and Scotland and which many in the Isle of

Man teaching profession consider to be the better way forward?

The President: Minister.

Mr Rodan: Mr President, now that the round of inspections has been completed including, as members know, a major inspection on the department itself and its own central services, the department is reviewing how we can build on this good foundation. There are alternatives to Ofsted, as the hon. member has referred to: in particular there are mechanisms of self-review and evaluation which I referred to in my answer, and indeed the systems in Scotland and Wales have more developed elements of such a system within their system. Following an Ofsted inspection there is a process some 18 months later of one of the original inspectors going back to that school and having what is known as a focused review to determine how well the school has moved on since the period of the inspection. Invariably those have proved to be extremely valuable exercises and very helpful to the school. I believe that the department, therefore, will not necessarily wish to repeat in exactly the same form these sorts of inspections that have been undergone up to this point, but we are clear as a matter of principle that continuous process of evaluating the performance of our schools in order to help them and for them to help themselves is still very important.

The President: Hon. member for Middle.

Mr Quayle: Thank you, Mr President. In connection with the Ofsted inspections, could I ask the hon. minister if he would care to comment on the morale of the teaching profession at present and if anything requires to be done, which I am sure we would all support? Could I further ask him if he will do everything possible to enhance the standing of teachers and eliminate unnecessary bureaucracy, allowing teachers to do what they do best - that is, teach?

The President: I disallow that question, hon. members. It is not relevant to what is on the order paper. A final supplementary, Mrs Hannan.

Mrs Hannan: Thank you, Eaghtyrane. Could I ask the minister whether the Department of Education has any specialist officer to help support schools before and after an inspection and whether the Department of Education also has a personnel manager or human resource manager to support teachers?

The President: Minister to reply.

Mr Rodan: The department now has a human resource manager to better organise the internal management of staff within the department. As far as the advisory service to schools is concerned, this was

an area of the department's work that was much commented upon in the Ofsted inspection of the department and, to be absolutely fair, I believe there is more work that needs to be done in this area. It has been an area of weakness within the department and I would like to see us moving towards giving more appropriate advisory support to schools on the basis of data collected at the time of Ofsted inspections and other visits to schools and following the periodic surveys of teaching staff that take place and which are designed to identify ways of assisting teachers, restoring their morale where appropriate and eliminating bureaucracy as referred to earlier. Thank you, Mr President.

**Construction Industry –
Lack of Insurance Cover –
Question by Mr Delaney**

Question 19. The hon. member of the Council (Mr Delaney) to ask the Chairman of the Office of Fair Trading:

Are you aware of the lack of insurance cover that some companies in the construction industry are operating under which endangers the general public and their employees?

The President: Hon. member of Council, Mr Delaney. Question 19.

Mr Delaney: I beg leave to ask the question standing in my name.

The President: I call on the Chairman of the Officer of Fair Trading, Mr Houghton, to reply.

Mr Houghton: Thank you, Mr President, and I thank the hon. member of Council, Mr Delaney, for his question, sir.

There has been much publicity recently about the high cost of insurance particularly in relation to the building industry, and so I am aware that some companies have experienced difficulties in obtaining appropriate insurance cover. However, neither myself nor the Office of Fair Trading have received information that confirms companies are operating with insufficient or no insurance cover. As is the case in most building contracts, this is just one of the matters to be agreed between the parties concerned, and the general public should ask for evidence of insurance cover before engaging any building contractor.

With regard to employers' liability insurance there is a statutory requirement for all employers to have insurance to provide a minimum cover of £2 million in respect of one or more employees arising out of one event. This requirement is prescribed by regulations

made under the Employers Liability (Compulsory Insurance) Act 1976 and is enforced by the Department of Trade and Industry, and evidence of any breaches should be brought to their attention. The approved contractor scheme, which is operated under licence by the Isle of Man Employers' Federation in conjunction with the Department of Trade and Industry, requires each approved contractor to have public and employers liability insurance cover. This, however, is only checked upon application or annual renewal and it is therefore possible that insurance policies lapse or are cancelled during the year without the knowledge of the federation.

I appreciate the thought behind that hon. member's question and the opportunity he has given me to highlight the importance for consumers of ascertaining that contracts are properly insured before agreeing for them to carry out any works on their properties. I am quite happy to publicise this point outside this hon. Court, Mr President, but fear that there is little more I or my officers can do in this respect. Thank you, sir.

The President: Hon. member Mr Delaney.

Mr Delaney: I thank the chairman for his straightforward and comprehensive reply. Could I ask him a supplementary? Would he not agree with me, bearing in mind the difficulties that we do not know who is insured and not insured at this moment, that the health and safety officers from the Department of Local Government may be the appropriate officers to do spot checks on building companies, particularly where it is illegal to drive without insurance because you may have an accident, but you can actually put up a massive construction which could kill hundreds of citizens and you could walk away without any insurance if you are a limited company?

The President: Mr Houghton to reply.

Mr Houghton: Thank you, Mr President. The hon. member makes a very, very important point in his supplementary question and he also makes an excellent suggestion that health and safety officers could check these, and I will take that under my other hat –

Mr Delaney: Thank you indeed, sir.

Mr Houghton: In the Department of Local Government and the Environment back to health and safety to see if that cannot be done, but it is understood, Mr President, that this really is a duty under the remit of the Department of Trade and Industry.

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

Mr Earnshaw: Thank you, Mr President. I would like to ask: is the chairman aware that lack of insurance or underinsurance in the building industry is not confined just to limited companies but also extends to sole traders and partnerships?

The President: Mr Houghton to reply.

Mr Houghton: Thank you, Mr President, and I am quite aware of that, sir. Having been a sole trader in the past, I also had to adhere to such regulations. But, yes, I do agree that across government now various departments who have their appropriate remits in inspecting premises should also make sure that these certificates are checked and inspected.

Mr Delaney: Thank you.

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

Mr Downie: Yes, thank you. Could I ask the hon. Chairman of the Office of Fair Trading, is he aware that it is a basic fundamental requirement for all contractors and subcontractors engaged on government work to have appropriate insurance in place?

The President: Mr Houghton.

Mr Houghton: Thank you, Mr President. I am so aware, sir, but also I am aware of the possibility that those contracts may be cancelled (**Mr Delaney:** Hear, hear.) shortly after the contract is made. It can happen, sir. (*Interjections*)

The President: Hon. member Mr Downie.

Mr Downie: Is the hon. member aware that it is the requirement for the client department to ensure that all those contractors employed on the various government schemes have the appropriate insurance in place prior to the commencement of that project?

The President: Mr Houghton.

Mr Houghton: Yes, sir, I can confirm that, but also it may be an idea for the client organisation to monitor that insurance policy on regular occasions, sir.

Mr Delaney: Hear, hear.

The President: Now, hon. members, the remaining questions on the question paper 20 to 35 inclusive are all for written answer, and I understand by now you will all have received your copies of the written answer.

**Public Sector Workers – Wage Claims –
Question by Mr Cannan
for Written Answer**

Question 20. The hon. member for Michael (Mr Cannan) to ask the Chief Minister:

Will you provide a written statement of the policy of your government in respect of public sector workers' salary and wage claims and the implications of that policy for government expenditure?

Answer

The levels of pay of the various employment groups within the public service are properly determined by the various employing departments in accordance with established mechanisms. Also there is the Joint Negotiating Committee for the Isle of Man Civil Service and the Whitley Council for the Public Service (Manual Workers). The constitutions of both those bodies have been approved by Tynwald.

It is for the employing authorities or those joint bodies to consider how pay agreements will be funded within the parameters of revenue expenditure determined by the Treasury and approved by Tynwald.

**Public Sector – Staff Recruited from UK –
Mortgage/Relocation Packages –
Question by Mr Henderson
for Written Answer**

Question 21. The hon. member for Douglas North (Mr Henderson) to ask the Chief Minister:

- (1) *What has been the total number of staff recruited to the Island's public sector over the past three years from the United Kingdom and elsewhere;*
- (2) *how many of them received mortgage and/or relocation packages;*
- (3) *what are the maximum and minimum parameters for these payments;*
- (4) *do nurses who are recruited to the Island enjoy the same scheme; and, if so*
- (5) *what are the maximum benefits for each grade of nurse and senior management?*

Answer

- (1) 632.
- (2) 518.

(3) (a) Civil servants and analogous schemes

- (i) Relocation Expenses Scheme for most public sector employees - where there is no provision for relocation expenses embodied in a terms and conditions agreement:

Maximum grant - £10,000
Minimum - Nil

Can be higher, but only in exceptional circumstances, and must be agreed by the chief executive of that department. There is provision for an interest-free advance of salary of £2,000.

- (ii) Outside of the Relocation Expenses Scheme - there is a Housing Assistance Scheme where the following ceilings apply for a maximum of 2 years:

- (a) £500 per month where a UK property remains unsold and mortgage or rent is payable on a property on the Isle of Man or
- (b) £250 per month where higher mortgage or rental costs are payable on an Isle of Man property but there are no UK property costs.

(b) Teachers

Teachers may claim 70 per cent of the actual relocation expenses incurred, such as removal expenses, and those eligible may claim up to £250 per month rent assistance and up to £500 per month mortgage assistance.

(c) Police

If a police officer is transferred to the Isle of Man Constabulary, all existing salary levels and allowances continue following the transfer. The officer would be entitled to claim some element of the removal costs to a maximum of £1,500.

(d) Manx Electricity Authority

Actual expenses paid in respect of legal fees for house purchase and sale and removal fees. There is no maximum payable. Also there is a settling-in grant of between £2,000 and £3,000.

(e) Post Office

No minimum or maximum parameters, as each case is determined on its own merits.

- (4) Yes.
- (5) Normal maximum £10,000 relocation expenses, £500 per month for no more than 24 months (housing assistance). No distinction is drawn in relation to these maxima between the grade or function of worker.

**Mount Murray Inquiry –
Chairman’s Salary –
Question by the Speaker
for Written Answer**

Question 22. The hon. member for Castletown (Mr Speaker) to ask the Chief Minister:

What is the chairman of the commission undertaking the Mount Murray public inquiry paid per day:

- (1) *when the inquiry is sitting; and*
- (2) *at all other times whilst undertaking his duties as chairman?*

Answer

The fees paid to the chairman of the commission are the same when the inquiry is sitting and whilst undertaking his other duties. The agreed rate is £1,500 per day.

**Mount Murray Inquiry –
Commissioners’ Salaries –
Question by the Speaker
for Written Answer**

Question 23. The hon. member for Castletown (Mr Speaker) to ask the Chief Minister:

What are the two members of the commission undertaking the Mount Murray public inquiry paid per day:

- (1) *when the inquiry is sitting; and*
- (2) *at all other times whilst undertaking their duties as members of the commission?*

Answer

The fees payable to the members of the commission are the same when the inquiry is sitting and whilst undertaking their other duties. The agreed rate is £300 per day.

**Mount Murray Inquiry –
Employment of Queen’s Counsel –
Question by the Speaker
for Written Answer**

Question 24. The hon. member for Castletown (Mr Speaker) to ask the Chief Minister:

- (1) *When did the Mount Murray commission of inquiry appoint a Queen’s Counsel from the United Kingdom to act for the commission;*
- (2) *what is the cost per day of employing counsel; and*
- (3) *how long is counsel contracted to the commission?*

Answer

Before answering the specific questions, it is necessary, I believe, to clarify that the commission of inquiry has appointed a counsel to the inquiry, not a Queen’s Counsel. Counsel is a junior member of the bar, compared with the position of Queen’s Counsel.

The counsel to the inquiry was appointed with the approval of His Excellency the Lieutenant-Governor on 26th June 2002. The agreed rate for employing counsel is £120 per hour. Counsel was contracted to the commission to provide advocacy on its behalf during the second stage of the inquiry, the investigative hearings. The second stage of the inquiry is not fully completed, primarily due to delays caused by ongoing legal proceedings brought against the commission. Counsel’s contract will conclude upon completion of the second stage of the inquiry.

**Mount Murray Inquiry –
Accommodation and Travel Costs –
Question by the Speaker
for Written Answer**

Question 25. The hon. member for Castletown (Mr Speaker) to ask the Chief Minister:

In relation to the Mount Murray public inquiry, what has been the total cost to date for accommodation and travel in relation to:

- (1) *the chairman of the commission; and*
- (2) *the Queen’s Counsel acting for the commission?*

Answer

The total cost to 30th November 2002 in respect of travel and accommodation for the chairman of the commission of inquiry into Mount Murray and the counsel (not Queen's Counsel) to the inquiry has been as follows:

- (1) Chairman - £14,515
- (2) Counsel - £8,258

**Mount Murray Inquiry – Cost of
Venue and Office Accommodation –
Question by the Speaker
for Written Answer**

Question 26. The hon. member for Castletown (Mr Speaker) to ask the Chief Minister:

What has been the total cost to date in hiring the Strathallan Suite, Douglas, including office accommodation, to hold the Mount Murray public inquiry?

Answer

The total cost to 30th November 2002 for hiring the Strathallan Suite and office accommodation for the commission of inquiry into Mount Murray has been £20,976.69.

The premises were first utilised on 8th May 2002 and have been hired from the Douglas Corporation at the following rates:

- Strathallan Suite and office - £247.50 per day
- Office only - £82.50 per day

**Mount Murray Inquiry –
Staff Appointed –
Question by the Speaker
for Written Answer**

Question 27. The hon. member for Castletown (Mr Speaker) to ask the Chief Minister:

- (1) *To date, how many staff have been appointed to assist the commission in relation to the Mount Murray public inquiry, and*
- (2) *what has been the total cost to date?*

Answer

The commission of inquiry into Mount Murray has, during the course of its work, appointed temporary

staff to five positions within the secretariat, in addition to the appointment of counsel referred to in an earlier answer. The appointments have comprised:

- 1 solicitor to the inquiry,
- 1 secretary to the commission and
- 3 administrative secretaries.

The total cost to 30th November 2002 of engaging staff to these five posts has been £84,814.

**Mount Murray Inquiry – Days in Session –
Question by the Speaker
for Written Answer**

Question 28. The hon. member for Castletown (Mr Speaker) to ask the Chief Minister:

To date, on how many days has the Mount Murray commission sat:

- (1) *in public session; and*
- (2) *in private session?*

Answer

In answering this question, it is assumed that it relates to the time spent by the commission when sitting together to hear evidence.

The commission has held public sessions on 29 days. Hearings have been held in private on nine occasions, totalling approximately three hours. On only one of those nine occasions was the evidence given on a day when no public hearings were also held.

**Mount Murray Inquiry –
Number of Witnesses Called –
Question by the Speaker
for Written Answer**

Question 29. The hon. member for Castletown (Mr Speaker) to ask the Chief Minister:

To date, how many witnesses have been called to attend to give evidence before the Mount Murray public inquiry?

Answer

As at 30th November 2002, 56 witnesses have been called to give evidence to the commission of

inquiry into Mount Murray. Details of all the witnesses called and transcripts of the evidence taken are available from the commission secretariat at the Strathallan Suite, Douglas.

**Government Press Notices – Cost –
Question by Mr Cannan
for Written Answer**

Question 30. The hon. member for Michael (Mr Cannan) to ask the Minister for the Treasury:

What is the approximate total expenditure by all government departments, statutory boards, the General Registry et cetera on advertising official notices, vacancies et cetera in the Isle of Man newspapers during the financial year ended 31st March 2002?

Answer

The information necessary to answer this question is not held centrally and needs to be collected from each department, board or office. In the time available, it has not been possible to do so. When the information has been collected, an answer will be circulated to members.

**National Insurance Account –
Types of Investments –
Question by Mr Henderson
for Written Answer**

Question 31. The hon. member for Douglas North (Mr Henderson) to ask the Minister for the Treasury:

In relation to the Isle of Man national insurance account and the fact that there may be 350 separate investments, including holdings in the two fund managers' group collective investment schemes representing the national insurance account, can you confirm, without breaking commercial sensitivities:

- (1) *what kinds of investments these 350 are in general terms; and*
- (2) *are these held predominantly in:*
 - (a) *'blue chip' companies;*
 - (b) *companies quoted on the FTSE, NASDAQ, Nikkei Dow, Dow Jones; or*
 - (c) *if in other types of investments, what kinds are they?*

Answer

- (1) In general terms, the national insurance account is invested by the fund managers in cash, UK and overseas fixed interest bonds, and UK and overseas equities.
- (2) (a) and (b) I can confirm that the account is predominantly invested in 'blue chip' companies and investments which are listed on the world's major stock exchanges. The fund managers are not authorised to invest in derivatives or speculative high-risk investments.
- (c) The fund managers are authorised to invest up to 2 per cent of market value in unquoted securities.

**National Insurance Account –
Investments in Technology Stocks –
Question by Mr Henderson
for Written Answer**

Question 32. The hon. member for Douglas North (Mr Henderson) to ask the Minister for the Treasury:

What percentage of the 350 or so fund investments of the Manx national insurance account are held in technology stocks?

Answer

As at 30th November 2002, technology stocks comprised less than 2 per cent of the market value of the externally managed investments of the national insurance account.

**Manx Electricity Authority –
Local Politician Employees –
Paid Leave of Absence –
Question by Mr Houghton
for Written Answer**

Question 33. The hon. member for Douglas North (Mr Houghton) to ask the Minister for Trade and Industry:

- (1) *Do you have an agreement for Manx Electricity Authority employees who are local authority politicians to be granted paid leave of absence in order to attend meetings in connection with their public commitments; and, if so*
- (2) *what are their terms of reference; and*

- (3) *how does this impact upon employees subject to Whitley Council agreements?*

Answer

- (1) The Manx Electricity Authority allows staff who are local authority politicians 36 days per annum to attend meetings in connection with their public commitments.
- (2) Staff are governed by the authority's terms and conditions, which are quoted as: 'The MEA recognises the value of its staff participating in local civic duties; reasonable attempts are made to facilitate MEA staff's participation in civic duties by rescheduling pattern working and/or hours of attendance. Where this is not possible, subject to the normal contingencies of the service, staff are given special leave with pay to attend local authority meetings.'
- (3) The MEA's provision for paid leave of absence is the same as employees subject to Whitley Council agreements.

**Road Vehicle Tax – Split Payments –
Question by Mr Henderson
for Written Answer**

Question 34. The hon. member for Douglas North (Mr Henderson) to ask the Minister for Transport:

Will your department consider introducing split payment methods on vehicle tax, as in the United Kingdom, as the increments now are such that low-earning members of the public are finding lump-sum payment harder and harder to meet?

Answer

I understand that, in the United Kingdom, vehicle owners have the option of paying for either a 6-month or a 12-month licence.

The cost of a 6-month licence is 10 per cent greater proportionally than a 12-month licence, to reflect administration costs (i.e. 12-month licence £100.00, 6 month-licence £55.00).

Members may be aware that my department is presently in discussions with a view to transferring the issuing of vehicle licences (and driving licences) from the Treasury to the Post Office.

It would be possible to incorporate an equivalent facility in the Vehicle Duty Order 2003. However, my department is currently unaware that such a demand exists to warrant its introduction.

My department would welcome comments from members and the public as to whether this move may be desirable or justified.

**ITIP and National Insurance –
Employees' Payments by Giro –
Question by Mr Henderson
for Written Answer**

Question 35. The hon. member for Douglas North (Mr Henderson) to ask the Chairman of the Isle of Man Post Office Authority:

- (1) *Are you aware that every business on the Island employing staff, from the smallest to the largest, has to account monthly to the Income Tax Division for tax, under ITIP and national insurance deducted from employees' pay, and that the only method of making this monthly payment is by post; and*
- (2) *would your Post Office examine the possibility of introducing the United Kingdom method where companies have twelve months' giro paying-in slips and where tax and national insurance can be paid and a remittance card stamped as proof of payment?*

Answer

I thank the hon. member for North Douglas for his continued interest in the future of Isle of Man Post.

- (1) I am aware of the statutory obligation that every employer faces in respect of income tax and national insurance collection, and Isle of Man Post welcomes the business these activities generate for the postal service.
- (2) Isle of Man Post, as a general principle, welcomes any opportunity to develop new services which will add to the viability of the post office network. My officers will contact the Treasury and DHSS to discuss whether this service is required by them and whether it can be provided economically for all parties concerned.