

3. Post Office (Amendment) Bill 2013 – Third Reading approved

Mr Corkish to move:

That the Post Office (Amendment) Bill 2013 be read a third time and do pass.

The President: We turn to Item 3, the Post Office Amendment Bill 2013 for Third Reading.
The Hon. Member, Mr Corkish.

Mr Corkish: Thank you, Madam President.

I do not intend to go through this at any length, and will briefly outline its purpose and some of the issues raised. It is important that we are all aware of the need for this Bill which amends the 1993 Post Office Act.

This is an enabling act providing clarity to the Post Office on what activities it *can* undertake, having the same duty and similar powers to the Act which it updates, and which has stood the test of time.

Diversification will continue to be important for the Post Office not least to take account of developing technologies and markets – in particular, opportunities offshore. New activities as pursued by the Post Office in recent years have been vital to protecting the future of the Post Office, the services it provides and the providing of opportunities to generate wider economic benefits for the Island.

Madam President, Hon. Members have acknowledged the need to support the Post Office and this Bill, which I very much appreciate. At the Second Reading stage, the future role of the Post Office or other money services, such as the credit union, was raised. Some front of house services for a number of high street banks are provided already, and initiatives to introduce a credit union would be the *type* of diversification which the Post Office would consider and would be happy to discuss at an appropriate time.

The Post Office is a cash business and would welcome any proposal which allowed it to generate increased revenue through its network of Post Offices, whilst utilising core strengths. Competition with the private sector was also raised and the Post Office Board remains very mindful of the current level of Island competition when considering new products.

From a commercial point of view it is considered better to introduce new products and services rather than try to enter an established market. The focus for future diversification is also off Island. In addition the Department of Economic Development is mindful of potential impacts on local businesses, and there is no change proposed to powers available to the Minister to direct the Post Office Board.

Madam President, Hon. Members, the Post Office has successfully diversified into new markets in recent years – but we cannot be complacent and assume that this will continue. The Post Office Amendment Bill provides clarity over the powers of the Post Office, which will allow it to seek new opportunities, whilst protecting existing services and the valuable contribution that it makes to Treasury.

Madam President, I beg to move the Third Reading of the Post Office (Amendment Bill) 2013.

The President: The Hon. Member, Mr Crowe.

Mr Crowe: Thank you, Madam President.

I am pleased to second the Third Reading of the Bill, and fully support the motives behind the Bill. I wish the Isle of Man Post Office every success in this rapidly changing digital age. As we all know the Isle of Man Post Office is highly regarded throughout the Island and is at the heart of the local community. This legislation, as the hon. mover says, will enable the Post Office to go

forward with clear clarity and authority to further diversify the operations of the Isle of Man Post Office.

Thank you.

The President: The Hon. Member, Mr Coleman.

Mr Coleman: Thank you, Madam President.

I, too, fully support this Bill.

I think that with Vickers going on at the present time – the study into banking and the movement to split retail banking away from investment banking – there is an immense opportunity for the Post Office to take advantage of the fact that retail banking institutions seem, at the moment, to be trying to move away from the small value personal accounts, and people are having problems maintaining their accounts in some of these institutions. I think there is a gap that the Post Office could move in and satisfy. It would probably be accounts similar to a credit union, but I would encourage the Post Office to go and get a Class 1 Banking Licence.

Thank you, Madam President.

The President: The Hon. Member, Mr Turner.

Mr Turner: Thank you Madam President,

Again, it was the point that Mr Coleman has just made: I think the difference is the Post Office is a trusted entity by the public – I would imagine more so in the Isle of Man. I think it is important that it remains in public ownership, whether that is in its current form or at some stage it moves to a corporatised model. But again, the Manx public have confidence in this organisation, and I think that is where that point Mr Coleman makes is that there is a lot of... the trust in the banks has been lost somewhat and I think that if this was an area the Post Office deemed to move into, I think it would be quite a success for them.

So again, I support the Third Reading and think the provisions in this will enable the Post Office to develop and adapt to new opportunities.

The President: The Hon. Member, Mr Wild.

Mr Wild: Thank you, Madam President.

Just to say that the Third Reading has my support on the basis that I think it helps modernise and evolve the Post Office to compete in the modern financial economic climate.

Thank you.

The President: The mover to reply.

Mr Corkish: Thank you, Madam President.

I am grateful to my seconder, Mr Crowe, and to the Members of Council for the support given to this enabling Bill. In particular, I thank the comments and considerations with regard to the future of the Post Office in respect to banking, to Mr Coleman and indeed to Mr Turner.

The Post Office is indeed trusted and worked hard to build up its trust within the community. The Post Office is a cash business but will always look to new endeavours to support its work and, as I mentioned in the reading of the third, to *enhance* the contribution made by the Post Office to the Treasury.

Thanks to Mr Wild for his support too.

With that, Madam President, I beg to move the Third Reading of the Post Office (Amendment) Bill 2013.

The President: The motion is that the Bill be read a third time and do pass. Those in favour, please say aye; against, no. The ayes have it. The ayes have it. *(Laughter)*

Mr Corkish: Just!

The President: Just!

Hon. Members, that concludes our business for this morning. Council will now adjourn until Tuesday next.