

2.11 Deputy S.C. Ferguson of the Minister for Housing regarding properties owned by non-residents:

Has the Minister yet obtained the figures for properties owned by non residents?

Senator T.J. Le Main (The Minister for Housing):

Yes, Sir, the Population Office has conducted a sample test on a range of share transfer properties using the housing consent system which has illustrated that approximately 16 per cent of selected purchases of new share transfer properties whereby persons who do not have their residential qualifications. I appreciate that the Deputy has suggested that this information could be obtained from the Jersey Financial Services Commission as well. This is true. We have just sample-tested 8 new share transfer developments incorporating 184 flats and our findings show that 73 per cent of these properties are owned by locally qualified individuals and a further 12 per cent by local residents who do not yet have their housing qualifications. Only 15 per cent or 27 units are owned by non residents or companies and of those a high proportion relate solely to one recent specific development marketed outside the Island. The sample is taken from the housing consent system and the Jersey Financial Services Commission produced similar results illustrating some issue at the margins at around 15 per cent or 16 per cent of the share transfer market but primarily relating to specific developments. This would seem sufficient for confirmation that a substantive issue does not exist. Certainly no information whatsoever has been provided that non local ownership is a more widespread issue. Of course when the land transaction tax is operational, more complete and systematic information on this will be available.

2.11.1 Deputy S.C. Ferguson:

Thank you, Sir, can I ask a supplementary? Like other Members I understood that the Gloucester Street developments were the basis for entry level housing for the young as well as helping to make the town a desirable place to live. The indications from the figures I have from the Jersey Financial Services Commission do not agree with the Minister's figures. Does the Minister consider that an ownership of 59 per cent buy to let and 41 per cent owner/occupier is fulfilling the policy of affordable housing for first-time buyers?

Senator T.J. Le Main:

I do not agree with that at all. My officers have given me quite clear information. We looked at the Spectrum development some time ago and those figures certainly do not correspond with the Deputy. Things may have changed in the last 12 to 18 months. I am not aware but certainly I have not looked at it very recently but I promise that if the Deputy would like to forward any information to my department then I will come back to her.

2.11.2 Deputy S.C. Ferguson:

Certainly, Sir. I obtained the share registers for 2008 from the Jersey Financial Services Commission. The work took me about half an hour. The collation took slightly longer. I will be delighted to give the Minister the figures. I would query why the Minister and his department have not got the figures from the Jersey Financial Services Commission themselves and cross-checked it.

Senator T.J. Le Main:

That is wrong. It was checked, as I say, about 18 months ago to 2 years ago, when it was first built when these references were made to a huge amount of ownership from outside the Island. The Deputy is now talking about 2008. I am sure my department have not looked at this specific development in the last month or so. But I have to say, Sir, that you must remember that we do need investment in accommodation in this Island by landlords who are prepared to let the accommodation out to locally qualified people. The more accommodation that is in the marketplace for rental, the prices remain static or in some cases are reduced. It is a good thing that there is some investment in residential property which can only be occupied by locally qualified people.

2.11.3 Deputy P.V.F. Le Claire:

I was going to ask a question that would draw out the feelings of the Minister for Housing in regard to his views in relation to the ownership of property by non-residents and whether or not, given Jersey has only got 50 per cent home ownership, this is another part of a policy that really supports the landlords over the owners in Jersey and those that would wish to be owners. It just repeats and reinforces to those that do not have their own homes that there is more opportunity and more future for landlords in Jersey. Given there is only 50 per cent home ownership in Jersey, is it not time to rethink these issues and to think about stopping as other jurisdictions do the purchasing of property for people that do not live here?

Senator T.J. Le Main:

When I first became the President of the Housing Committee in 1999, if anyone wants to go and have a look at the *Jersey Evening Post* on that day in the advertising for accommodation, there were about 4 properties to rent in those days. There was a huge, huge shortage of accommodation for rent. There is a large amount of people in Jersey that want to rent and do rent and there is a large amount of property that is unlettable because of the condition and the age and where they are situated. Some investment by investors in residential property which, as I say, carries conditions like it can only be occupied by locally Jersey-born people or people with housing qualifications is a great part of the overall supply and maintaining decent homes for people at affordable prices.

2.11.4 Deputy C.J. Scott Warren:

Does the Minister accept that this 16 per cent of outside ownership of properties is denying home ownership to local people and is not equitable with the way Jersey still treats the non-qualified sector of our community?

Senator T.J. Le Main:

Absolutely no. I disagree with that totally. 16 per cent is nothing more unusual than has been happening for years and years and years. Outside investors have invested in this Island for the last 100 years in property - in commercial property, in residential property - and nothing has changed. Outside investment in an Island that does business with the world and, in fact, is creating now a market where people can have decent accommodation is no bad thing.

2.11.5 Deputy G.P. Southern:

Will the Minister accept that whether his figures are correct showing possibly up to one quarter of households owned by (j) cats or non-local residents, or the Deputy of St. Brelade's figures are correct, showing 50 per cent, we do have contrary to his opinion, a substantive problem? Will he commit himself to further investigate this situation and return to the House with a report in September?

Senator T.J. Le Main:

No, I will not because the figures quoted by the Deputy are wrong. He is saying that one quarter of the population are occupied by (j)s. That is incorrect.

Deputy G.P. Southern:

I did not say that. I said up to 10 per cent (j)s and 15 to 16 per cent non-locally qualified.

Senator T.J. Le Main:

I have no intention of coming back in September with a report. Everybody knows that I have said this time and time again, the figures... and if any Member needs any information to go and discuss it with the Population Office, and I am very happy that Members go and talk and have a full insight on the issues.

2.11.6 Senator S. Syvret:

Could the Minister for Housing say how he squares the percentage of ownership by non-local residents with the assertions that were being made in the recent Homebuy debate in connection with the fact that such purchasing did not, in fact, dominate in a way that would affect inflation in the property market in Jersey? Will he also explain why, when he has admitted in his answer this morning that some of these properties are bought by companies, he was asserting in the very same debate that it was, and I quote “untrue” that companies were buying these properties?

Senator T.J. Le Main:

The Senator knows very well ... he is trying to mislead the Assembly because he said in his speech on the Homebuy debate that large swathes of property were being purchased by companies, and there is no evidence at all about this at all and I have asked the Senator to provide the evidence. He makes that assumption again this morning. Provide the evidence that there are large swathes of residential property being bought outside companies.

Senator S. Syvret:

May I refer the Minister to the answer he gave earlier for that evidence?

Senator T.J. Le Main:

No, I did not say that.

Deputy C.J. Scott Warren:

May I ask ...

The Bailiff:

No, I am sorry, Deputy. It was, indeed... but you have asked a supplementary already, if not more than one supplementary. We have had 10 minutes on this question and in the light of what is on the Order Paper I think that is enough. We come now to a question by Senator Syvret of the Attorney General.