

2.16 Deputy G.P. Southern of the Minister for Housing regarding the conclusions reached by Professor Whitehead in her report relating to Housing in the Island:

Does the Minister concur with the conclusions reached by Professor Whitehead in her report that the States objectives of increasing owner occupation are unlikely to be realised and if so, what measures, if any, does he have under consideration to address this issue?

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

No, I do not agree that Professor Whitehead presents a view anywhere near as simply as the Deputy suggests. In her report at page 43 the Professor quite clearly says that her analysis suggests that an increase in home ownership is an ambition which is unlikely to be realised. However, in the following paragraph she goes on to say that the only practical way to increase owner occupation in Jersey is to ease the restrictions on new housing supply so that the price inflation is moderated. Other policies are unlikely to be successful if this fundamental issue is not addressed. Earlier in her report at page 36 she says: "Given the income distribution within the social sector it is probably better to try to meet the government's objective of achieving higher levels of ownership occupation mainly from the private renter sector where there are a larger number of households with reasonably stable incomes from employment. Some trust tenants may also be able to afford to become owner occupiers." I believe that this is telling us that we must first and foremost make homes available to stabilise prices and we must then widen the range of affordable or intermediate housing products to make home ownership as feasible as possible for as many people as possible. I would suggest that we have an opportunity soon to do something about this when we debate the new Island Plan which is presently out for consultation. In that Island Plan the Minister for Planning and Environment, as well as introducing sites for development, is proposing to deliver a significant number of affordable homes, homes which can - depending on prevailing need - be for rental and for purchase. In addition, my department has recently established an Affordable Housing Task Group, a group which cuts across those States departments with a part to play in the provision of housing and is also made up of parties from the private housing sector. This group is actively investigating what alternative, affordable and immediate housing products might be available to assist those who aspire to home ownership. One final point worth mentioning, that since the approval of the department's Property Plan we have already created 104 new home owners, all of whom were States tenants and of course they have successfully seen through over 40 home owner homes at La Providence.

2.16.1 Deputy G.P. Southern:

I thank the Minister for finally addressing the problem of supply and demand which he has been denying for the past 10 years. Does he not accept that his policies have been responsible for the situation today where the cost of a house is now 15 to 17 times the average wage in this Island, thus rendering home ownership absolutely impossible for the majority of people?

Senator T.J. Le Main:

What a load of erroneous garbage. Quite honestly, the Minister for Housing cannot build or provide one unit of accommodation; it is the Planning role to do that. We are working very hard with the Minister for Planning and Environment who is under

extreme pressure from not only Members of this Assembly but from the general public of the need to keep all green field sites. There is no question about it; the only way to moderate and to contain prices and perhaps reduce prices is to put more into the market place. That is very difficult in a small island like Jersey and I concur very much with the Minister for Planning and Environment in that we must try to develop off green field sites but more on commercial sites and brown field sites and the town area.