

4.7 Deputy M. Tadier of the Minister for Housing regarding the introduction of an empty property tax as a method to help alleviate the housing shortage and bring down rental prices:

Does the Minister support the introduction of an empty property tax as a method to help alleviate the housing shortage and bring down rental prices?

Deputy A.E. Pryke of Trinity (The Minister for Housing):

The short answer is no as the evidence shows that empty properties are not the problem they seem. Most of the homes that are empty are being built or renovated, in-between tenants or for sale or their owners are deceased or are in care. The best way to address the costs of owning or renting a home is to ensure a consistent supply of housing.

4.7.1 Deputy M. Tadier:

It seems we have a government of a “cannot be done” rather than “can be done”. There are, of course, various reasons for the 3,100 properties which were vacant at the last census and indeed 29 per cent were between tenants but we have no idea what the gap was between tenants. If there is a period of 2 years between tenants then clearly there is some action that needs to be taken. Similarly, if a property is being built or renovated and it takes 2 or 5 years that property is no good and is taking up space when it could otherwise be used. So simply to categorise these stats and quote them in question time without the further information that is required is completely unsatisfactory. So will the Minister reconsider her blanket rejection of this concept of a property tax as a way of helping solve the problem and go away and find that specific information before making those decisions?

The Deputy of Trinity:

I think property owners have a social responsibility to ensure that their housing is put into good use and that properties are taxed, as we know, through income tax and also through the Parish rates system. So for changing or adding tax for a very small area is, I should think, quite cumbersome and will it achieve a lot? The most important thing is to encourage supply. The Deputy is right about the figures, they were in the census in 2011, and is it 7 per cent but properties being built or renovated or for sale make up the same, about 29 per cent too. So you need to have a look at the figures as a whole.

4.7.2 Deputy M. Tadier:

I am not hearing anything new from the Minister. She is basically saying we do not have the information we require in order to use this potential tool in our armoury when it comes to solving the property shortage. It is my understanding that even if we were to carry on building 100 new properties for the next decade we would still have a shortage and that is before we even consider whether or not we are using up valuable green space and other areas which could be put to other use in the Island when space is such a precious commodity. Will the Minister go away, find ... and that is not the end of it ... go away, come back with the information and can we sit down with her officers and find a viable way of implementing this tax, which hopefully would never need to be used because it would act as a sufficient incentive for property owners, also potentially in the commercial area, to put their properties to good use and home our Island’s families and individuals which is in line with the strategic priorities of her Council of Ministers?

The Deputy of Trinity:

Obviously the Deputy does think it is a big problem. So if he does think that I am always willing to sit down with him and discuss but at this moment it is 7 per cent and there are a lot of reasons, as I have said before, 10 per cent of that 7 per cent are up for sale and 6 per cent are residents who are

deceased and another 5 per cent in care homes. So you have to look at the picture as a whole but I am always happy to meet with him and discuss further.