

Anonymous 8 – 7th June 2021

Dear Sirs

There are two parts to the issue, house supply and demand (population).

#### 1) House Supply

A) I heard there are 3,000 unused or unlive in properties on the Island at the moment. Is this correct? Even half that number is a wasted opportunity to increase the supply of properties onto the market. If the owner is unable to develop the property or put it into a usable condition due to lack of financial means then compulsory purchase or an auction process to the private sector should be considered. We need to increase the house supply and this overrides individuals' wishes to maximise profit by waiting until they think the market will top out. Give them, say, three years after acquisition to get the property back into supply or use compulsory purchase/auction to get someone else to do it. If the Jersey government does a compulsory purchase then they should sell it on to a private developer I think rather than develop it itself. That is my personal preference - either option (private or public developer) should see an increase in the house supply as a result.

B) Are there developers sitting on approved plans to build but cannot afford to do it now, or who are waiting for the market to continue to get more expensive aka profitable? Similar to A above, if a developer cannot commence and build an approved planned new building or refurbishment within, say, three years then it should be compulsory purchase/private auction so someone else can build it.

C) Build more family homes than flats.

D) Stop the destruction of lovely big homes by developers after big bucks profits, who then build 4 houses on the same plot. Soon there will only be flats and small houses available for the general population, then a gap before you get into the mansions for the very wealthy. There is nothing wrong with having some nice big houses with good garden sizes - we just need to keep increasing house supply per A and B above.

E) Stop new buy to let purchases for the moment to allow those waiting to buy the new flats to live in. Once the market has balanced out then buy to let can resume. Care must be taken to ensure there are still sufficient rentable properties but my thinking on stopping buy to let is primarily to stop foreign investors or corporates/wealthy individuals buying multiple flats to rent, and thereby stopping people actually having the opportunity to buy.

F) Following E, any sales of existing rented properties should be sold to those who want to live in the flat first, rather than to another buy to let owner. As per E, once the market has stabilised then this rule can be removed in the future. More thought is probably required on this one, but the aim is to get more supply onto the market for those wishing to buy a property to live in (rather than investors).

G) Build more homes that would entice the older generation to move out of their big family homes (which now may only have one person living in it) into a nice smaller home. This would free up the bigger homes for the larger families so increasing supply of that type of property and therefore reducing market price over time.

H) First time buyer properties should only be resold to other first time buyers. There would need to be a pricing mechanism to make it fair to both the seller and the buyer. This is tricky as you would need to make it affordable to the new buyer, and the seller presumably is buying somewhere new so needs a good price (albeit they have been subsidised previously when they originally bought the property).

I) I am actually not a huge fan of subsidised "affordable housing" projects because it disguises the fact there is a housing shortage and it keeps prices artificially inflated with the subsidy. It is much better to increase supply of houses and reduce/maintain the current population so the market gets in balance. I appreciate affordable housing projects may be required in the short term but mid to long term they should be phased out as demand and supply should have matched naturally.

## 2) Population

A) There are too many people in the Island, and we are still allowing high levels of annual immigration. We need to take a decision that quality of Island life is more important than continued immigration in the name of pure economic growth. There is no point putting it off and kicking the can down the road again. We need a population policy that maintains current population levels. There may be some hard decisions to be made as a result of that, with the aging population and specialist skills which we may not naturally be able to produce. However, Jersey starkly stands out against its immediate neighbours when looking at population growth since 1971:

	1971 (000)	2019 Est (000)	Growth actual (000)	Growth %	Countries pop if Jersey growth rate (000)	Jersey pop using other countries growth rate (000)
Jersey	69.5	108.0	38.5	55.4	108.0	108.0
Guernsey	51.5	63.0	11.5	22.3	80.0	85.0
France	51,000.0	65,000.0	14,000.0	27.5	79,254.0	88.6
UK	55,000.0	67,500.0	12,500.0	22.7	85,470.0	85.3

So, if the UK had grown at the same rate as Jersey over the last 50 years then its population would be 85 million rather than its current 68 million. Likewise, if we managed to keep our growth rate down to the percentage numbers Guernsey, France and UK had during the same period our population would only be 85-88,000. Imagine that reduced 20,000 demand for housing.

B) I would prefer existing unemployed labour in the Island to be utilised and retrained better to cover any shortfalls as much as possible.

C) I would prefer to pay higher salaries to people we need to bring into the Island for health/key roles in return for them not being able to stay at the end of the work period. Maybe using a five year licence where the person actually does then need to leave the Island at the end of it and cannot stay doing another role, as we would end up having further immigration to fill the now vacant key role while having the original person staying. The higher salary will be a reward for knowing you cannot stay and would suit some individuals at different stages of their career (near retirement and family grown up and moved on, or young up and comers not ready to settle down yet).

D) I was told of a conversation between a group of young primary school children saying they know they will need to leave the Island when they grow up as they cannot afford to buy a home. They are

not even 11 and have formed the view they cannot stay in their Island home. It was so sad to hear this, for them and because it is probably true, and I am afraid the only way to stop this is by controlling the immigration now.

Thank you.