

2.7 Deputy S. Power of St. Brelade of the Minister for Housing regarding the impact of changes to (j) category accommodation on the housing market:

Despite the Social Housing Property Plan Sub-Panel's expression of concern with in Scrutiny Report 12 regarding the impact that changes to (j) category accommodation have had on the residential housing market, does the Minister still consider that such changes are having no effect on the prices being achieved?

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

I have never said that the impact of (j) employees on the housing market is nil. What I have always said is that the impact of (j)s on house prices should be kept in strict context. They continue to account for just 8 per cent of all purchasers with 92 per cent of properties being bought by local people with qualifications. It is the economic growth that we are experiencing in which (j)s do have an important role that is driving house price increases. Our task is to manage this which is why I have been requesting that the Planning Minister makes sure that appropriate housing land supply is forthcoming.

2.7.1 Deputy S. Power:

The Minister may be aware of a report in the *Jersey Evening Post* 2 weeks ago quoting a former senior and experienced member of the Housing Department who is now a mortgage consultant. This former officer stated that changes to (j) category accommodation and licensing had accelerated the ability to purchase (j) category accommodation and as a result has had a dramatic effect on local house prices. Would the Minister go so far as to discount the remarks of this officer?

Senator T.J. Le Main:

Yes, Sir, I did read that in the *Jersey Evening Post* and I felt like writing a letter to the *Jersey Evening Post* to say that it was absolute nonsense and untrue. We have the figures in the Population Department which are quite clear and categorical. I invite any Member to come and see them at any time with me. The issue is that I challenge this gentleman to bring forward evidence that he has that we certainly have not got in the Population Department. There has been anecdotal evidence, if you like - or rumours going around - for a long time that (j)s are causing this issue that he quotes. It is untrue.

2.7.2 The Deputy of St. John:

Would the Minister agree that one of the biggest drivers that is putting up house prices in the Island currently is the lack of supply and also the fact that the lack of supply of sheltered housing which is not enabling the market to move and causing a bit of a log-jam? Would the Minister agree with that?

Senator T.J. Le Main:

Yes, Sir. There is a very, very large shortage of properties right across the board at this present time. The Planning Minister and I are working very closely to try and achieve this and the Planning Minister has all kinds of legal and procedural difficulties in being able to come up very, very quickly with land. Hopefully that will be resolved very soon but the Planning Minister and I are determined to put more homes in the market place right across the board.

2.7.3 Deputy A. Breckon:

I wonder if the Minister could tell the House if he is aware of the number of (j) cats. in the last 12 months' employment statistics that Senator Ozouf has just referred to - because my understanding is it was 150 - and if he could tell the House how many of those that were granted a (j) category would be given permission to rent or buy or indeed would be able to buy?

Senator T.J. Le Main:

That is correct. In fact, three per cent of (j)s make up the total workforce in Jersey and there is approximately 150 new (j)s that have come in; a majority of them, Sir, are with Health and Social Services, Education and Home Affairs. The issue is that a (j), whether he or she are on a short or permanent contract, are entitled to occupy property in this Island - (j) category property - and in cases, even short (j)s are buying property for the duration of their three or five-year contract. Reasons are, I suppose, an increasing valuation on property but it is not uncommon for short-term (j) s to buy over a three or five-year period and selling them out of the company on completion of their (j) category.