



OFFICIAL REPORT

OF THE

STATES OF DELIBERATION

OF THE

ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Thursday, 27th June 2013

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Present:

Richard J. McMahon, Esq., Deputy Bailiff and Deputy Presiding Officer

Law Officers

H.E. Roberts Esq., Q.C. (H.M. Procureur)

People's Deputies

St. Peter Port South

Deputies P. A. Harwood, J. Kuttelwascher, B. L. Brehaut,
R. Domaille, A. H. Langlois, R. A. Jones

St. Peter Port North

Deputies M. K. Le Clerc, J. A. B. Gollop, P. A. Sherbourne,
R. Conder, M. J. Storey, E. G. Bebb, L. C. Queripel

St. Sampson

Deputies G. A. St Pier, K. A. Stewart, P. L. Gillson,
S. J. Ogier, L. S. Trott

The Vale

Deputies M J Fallaize, D. B. Jones, L. B. Queripel, M. M. Lowe,
A. R. Le Lièvre, A. Spruce

The Castel

Deputies D. J. Duquemin, C. J. Green, M. H. Dorey,
B. J. E. Paint, J. P. Le Tocq, S. A. James, M.B.E., A. H. Adam

The West

Deputies R. A. Perrot, A. H. Brouard, A. M. Wilkie,
D. de G. De Lisle, Y. Burford, D. A. Inglis

The South-East

Deputies H. J. R. Soulsby, R. W. Sillars, P. A. Luxon,
M. G. O'Hara, F. W. Quin, M. P. J. Hadley

Representatives of the Island of Alderney

Alderney Representatives L. E. Jean, E. P. Arditti

The Clerk to the States of Deliberation

S.M.D. Ross, Esq. (H.M. Senior Deputy Greffier) [morning]
D.A. Knight, Esq. (H.M. Deputy Greffier) [afternoon]

Absent at the Evocation

Miss M.M.E. Pullum, Q.C., (H.M. Comptroller)
Deputies P. R. Le Pelley and G. M. Collins

Business transacted

Evocation 759
Convocation 759

Billet d'État XI

Managing the Size and Make Up of the Island's Population – Various measures –
Debate continued 759

*The Assembly adjourned at 12.30 p.m.
and resumed its sitting at 2.30 p.m.*

Managing the Size and Make Up of the Island's Population – Various measures –
Debate continued 793

The Assembly adjourned at 5.35 p.m.

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States of Deliberation

*The States met at 9.30 am in the presence of
His Excellency Air Marshal Peter Walker C.B., C.B.E.
Lieutenant-Governor and Commander-in-Chief of the Bailiwick of Guernsey*

[THE DEPUTY BAILIFF *in the Chair*]

PRAYERS

The Senior Deputy Greffier

EVOCATION

CONVOCATION

The Senior Deputy Greffier: Billet d'État XI, continuation of the debate.

5

Billet d'État XI

10

POLICY COUNCIL

Managing the Size and Make Up of the Island's Population

Various measures

Debate continued

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The Deputy Bailiff: Members of the States, we continue with the next of the amendments, so I invite Deputy Perrot to place his amendment, to insert a new Proposition 13A. Deputy Perrot.

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Deputy Perrot: Mr Deputy Bailiff, thank you.

Perhaps I ought to read this amendment. I did actually put one out in everybody's place yesterday. The only person that I missed off was His Excellency, but he was late. *(Laughter)*

I know that some Members are complaining that they are not quite sure what I am talking about, so perhaps I ought to read this. *(Laughter)* It is different from the one which was sent to all of you by the electronic communicator a week or so ago. This one reads:

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To insert as Proposition 13A –

'To agree that, in respect of persons with Employment Permits occupying local market accommodation, legislation be enacted whereby local market dwellings to which are ascribed Property Tax assessment units below such amounts as may from time to time be prescribed by the Policy Council may not be altered in such a way as to attract a number of units exceeding that number during such time as such dwelling is owned and/or occupied by any holder of an Employment Permit.'

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35

Then there is an explanatory note which says:

'this amendment seeks to protect cheaper local market houses from being removed from the reach of qualified persons by being altered and thus rendered more profitable for sale.'

40 This differs from the original one which was sent out, in that *that* amendment had the intention of putting in legislation into the legislation which related to Employment Permits. Instead, I have left it unspoken as to what sort of legislation would be enacted and whether it would be embodied into planning legislation, or into stand-alone legislation. That is because I did not want there to be a complaint that I was using one particular sort of legislation to deal with a problem relating to other legislation. I hope that people understand this.

45 This was not a last minute amendment cobbled together using cut and paste, as suggested by my esteemed colleague behind me. I do not know how to. *(Laughter)*

My problem was that I spoke to you, Sir, telling you that I wanted to change the amendment. I could not speak to Deputy Green in time to get it to you to put it on the agenda in time for the meeting yesterday morning, so there is nothing more sinister about it than that.

50 I have to say that I am reluctant to introduce this sort of amendment for several reasons, but one in particular which is that I am opposed to over-regulation. I do not wish to see legislation where it is unnecessary. I am always anxious about the law of unintended consequences and, of course, always hovering over this Island like a dark cloud is the European Convention on Human Rights, which wants to stop pretty well everything that anybody wants to do.

55 So I am reluctant in bringing this forward, but I do so, because on the election trail last year, there was a very strong sense of local sentiment, at least in my constituency in the West, that there were too many houses at the cheapest end of the market which had been altered by people who are here on Housing Licences and those houses were being taken out of the reach of first-time buyers. That is a sentiment which was certainly echoed by the Douzaine in St Saviour. It is something which I have seen as I have been walking around.

60 I did go to see the Housing Minister who very kindly granted me an audience. *(Laughter)* I thank him for it. He was sympathetic to what I was trying to do, but the problem then, of course, was that this population document was underway. Staff time was being taken up in that and he could not possibly arrange for what I wanted to do to be embodied into this document, into this Billet at that stage.

65 So, I am ashamed to say that I did not pursue it anymore from that time until this and it seemed to me that now would be an appropriate time to put forward this type of amendment.

70 If the sentiment which I have expressed is wrong, then of course – if the amendment is agreed – the control would lie in the hands of the Policy Council, because the Policy Council could set the level of assessable units at such a very low rate as to make the amendment in effect meaningless.

In coming forward with this amendment, I am conscious of some of the language which was used yesterday. I do not think that I am being xenophobic. I do not think I am being racist in any way, but I wish people who live in Guernsey lawfully to enjoy their lives with a maximum possible benefit themselves and to use their properties as they wish, but I am conscious of this difficulty of some houses being taken out of the reach of first-time buyers and I make no apology in trying to protect those people who want to get onto the property ladder.

75 Indeed, it might be argued that the one class of people which does not look forward to property inflation will be the first-time buyer because that means their property is constantly going beyond their reach, whereas those of us who are lucky enough to be on the property ladder sometimes welcome the degree of property inflation, because that means that paying off the mortgage is that much easier.

80 I think that what I am suggesting could be compared perhaps with the system we already have, which is to set a limit in respect of tax on real property in relation to those who wish to occupy Local Market accommodation, under licence of course. That will go with the new legislation and what I want to put in its place is somewhat analogous. That method of restricting properties on the Local Market certainly did not excite any successful challenge under the European Convention on Human Rights.

85 Doubtless some will cavil at what I am trying to do, in saying that perhaps I am using planning legislation to deal with another problem, but that is the only way in which I can think of in trying to keep a part of the Local Market sector at the cheapest end for those who wish to get onto the property ladder.

The Procureur very kindly gave me some advice about this, so I am just activating my communicator. *(Laughter)*

90 What he said was this:

95 ‘I have to confess to not currently being able to see a way of drafting legislation to achieve what the amendment seeks compatibly with our ECHR obligations, under article 8 and protocol 1, article 1. The problem, which I am sure you both fully appreciate’ –

100 this was addressed to me and to Deputy Green –

‘is that once the relevant, legitimising purpose is identified, it is tricky to seek to achieve it through reference to regimes enacted in order to protect the environment and to raise tax without susceptibility to proportionality challenge.’

105 I thank the Procureur for that advice, which came in at 7.36 this morning. I understand why he is saying what he is saying. I am not sure, with the utmost respect at my command for the Procureur, that I agree with him totally on this point, because we have seen distinctions drawn between Licence holders and Qualified Residents in respect of those who are able to occupy Local Market accommodation, under the existing Housing Control Law.

110 So, if that can exist with our successful legal challenge, then I would say this should be able to exist without a successful legal challenge.

Anyway, my purpose today is to give some sort of political impetus to this problem. I have not specified how we legislate for it, but I am asking that, when flesh is put on the bones of these proposals, the matter be dealt with. I accept that it may be a difficult drafting matter for the Law Officers and indeed for the Policy Council, but nevertheless and despite that advice, I wish to pursue this amendment, which will be seconded by my friend, Deputy Green.

The Deputy Bailiff: Deputy Green, do you formally second that amendment?

120 **Deputy Green:** I do indeed, sir, yes.

The Deputy Bailiff: Are you reserving your right to speak?

125 **Deputy Green:** I do.

The Deputy Bailiff: Before I call anyone to speak, can I just remind Members of the requirements to declare a direct or special interest. This is a subject area where there may be direct or special interests. If anyone owns a property that is rented out to people that is currently on the Local Market, then it will potentially have an impact, I imagine, on them. There may be other circumstances, but I do not think the fact that you own a Local Market property, that you *might* rent out, should be a direct or special interest in this regard, because that is probably going to cover most people.

So yes, Deputy Perrot.

135 **Deputy Perrot:** Sir, I declare an interest in that respect.

The Deputy Bailiff: Alright, well, we will take that now then, thank you. Deputy Hadley, followed by Deputy Trott.

140 **Deputy Hadley:** Mr Deputy Bailiff, I declare an interest in that I own a Local Market house which has been rebuilt on the site of a former, but smaller property. I also declare that I own four flats, for which I have applied for planning consent to put new windows in. I think that should clear where I stand. *(Laughter)*

145 This has been a wonderful lesson to me in how we have such complex laws, because this seems to me to add tremendous level of complexity to the legislation that will be enacted and also it is being done on a sense. There is no evidence that this is particularly a problem, rather than a sense gained on the doorstep.

I think the most important thing when we are considering housing for young people is the total number of houses on the Island, because people are going to move from one level to another so being prescriptive about how one can develop a house, to my mind, has a very marginal effect on the housing market. It could be at the moment that there is a shortage of four-bedroom houses so there is going to be pressure on people to extend houses to redress this balance.

155 But it will be extremely difficult to enforce and it really is discriminatory. One message that has come across to me from Licence holders already, particularly when TRP levels were set, is that this can be tremendously difficult for people to come to the Island. I am here because I married a local girl, I love the Island; but an awful lot of people have not the enthusiasm for living on Guernsey that many of us have and to add another level of discrimination to people that we need to come to the Island seems to me to be wrong.

160 So I would urge Members to vote against this amendment.

The Deputy Bailiff: Deputy Trott, followed by Deputy Domaille, followed by Deputy Gollop.

165 **Deputy Trott:** Sir, I totally understand what my friend Deputy Perrot and friends Deputy Perrot and Deputy Green are trying to achieve, but to say this is a blunt instrument is an understatement.

If one looks at the wording of the amendment in detail, we will see that in the penultimate line we are told that:

170 ‘...during such time as such dwelling is owned and/or occupied by any holder of an Employment Permit.’

So, if somebody comes to live in the Island, they have an Employment Permit and they are restricted if this amendment goes through; but if you do not come and live in the Island, you are simply an external investor, no such control is placed over you. So you are, if you like, incentivising the external investor over someone who has come and chosen to make their life here.

175 That, for me, is a fundamental flaw with the amendment, but it does not really stop there, because I think one has to look at the rental market and the ownership market simultaneously. There are enormous advantages with regard to subdivision, irrespective of who carries it out. In fact, if you have a property that is subdivided and, in doing so, create two units of accommodation, it could be argued – and indeed I intend to (*Laughter*) – that that enhances the amount of stock available to those who are near the bottom of the ladder.

180 There is also, I think, sir, an issue with regard to the effect on existing property prices. Is an amendment of this type when enacted into legislation... is there any aspect of retrospectiveness on it? Or is it retrospectivity? I am never quite sure. (*Interjections*)

185 **A Member:** Retrospection, I think it might be.

Deputy Trott: Is it? Retrospection, there we are. (*Laughter*) Is there an element of retrospection?

190 **The Deputy Bailiff:** You have not used your dictionary this time, Deputy Trott! (*Laughter*)

Deputy Trott: I have not! Now, there was a reason for that, sir, because having come up with a very valid definition of ‘residence’ yesterday, (*Laughter*) as per the dictionary, others sought to challenge it, so I thought I would give that a miss on this occasion.

195 Now, the point surely is that the law of unintended consequences that my friend referred to whilst introducing this amendment are considerable and I think, on balance, I shall vote against it.

The Deputy Bailiff: Deputy Domaille.

200 **Deputy Domaille:** Thank you, sir.

Firstly, I will declare an interest. I have two properties that I rent out on occasion to Licence holders.

205 While I understand the sentiment behind this amendment, I cannot support it. I do not believe planning legislation to be the correct vehicle to impose this Proposition and I do not believe it to be workable.

Preventing a Permit holder from extending his or her home purely because they are a Permit holder may well prove to be an unacceptable interference in the rights of their family, home and private life in Human Rights terms.

210 It is not hard to think of examples where a family may wish, or are only financially *able*, to build an extension, rather than to move home. I would expect all sorts of exceptions being justified on compassionate grounds, the inter-complexity, lack of predictability and transparency and extra administrative costs, all of which will undermine a new population management regime.

215 Sir, even if a new population management law is able to enshrine the proposed TRP cap, nothing in the statutory process of the Island Planning and Development Law 2005 would allow the Environment Department to refuse planning permission on population management grounds. A Permit holder could therefore obtain a planning permission that would add to the value of his or her house, even if the building works did not take place until the property was sold on.

220 In addition, it is not clear what sanction could be applied if a Permit holder did implement a valid planning permission to extend a house, thus raising its TRP. Planning enforcement action could not be taken as a development would be lawful in itself. So presumably, the population management law would have to impose a penalty when the works came to light. Well, I cannot envisage what that penalty could be, or how it could be enforced.

I suggest it would be extremely messy from a legal perspective and I have to question what the benefits might be in practice.

225 Sir, for the reasons I have outlined, I ask Members to reject this amendment.

The Deputy Bailiff: Deputy Gollop, to be followed by Deputy Stewart and then Deputy St Pier.

230 **Deputy Gollop:** Deputy Hadley says that there is no particular call for this and in a way, I would disagree. I think Deputy Perrot and Deputy Green have put before the States a kind of new version of the old idea that people who are Licence holders should be obliged to live in higher value property, which is a policy the Housing Department, I think I am correct in saying, did
235 implement for many years but later really suspended – and this is bringing it back with a different twist. It is an issue with many people because they look around and they see Licence holders acquiring some of the best property on the Island.

The problem is that we do not wish to see, I think, a system as regimented as Housing once was and moreover, it is a misperception to see Licence holders as being all general practitioners, lawyers and senior members of the finance sector. In fact, the opposite is true. Because Guernsey
240 has such a competitive employment market and generally satisfactory economy, local people, over time and over the generations, are drawn to the more rewarding professions in terms of salaries and lifestyle, which in turn means that certain other professions which do not necessarily pay as much – some of those in the health and nursing field, in education, in other areas – become less popular for local job seekers, so we are reliant on Licence holders.

245 Now, those people actually are amongst our lowest earners and that is true for many other people who will have Employment Permits, whether it be in... I do not know, it could be in bus driving, it could be hospitality, it could be all kinds of things and therefore they will be desperately seeking accommodation and, as Deputy Trott has pointed out, this will act as a disincentive to maximise income from flats. I actually was a landlord of flats at different stages in my life, but I
250 am not currently.

Therefore you are, in a way, tinkering with the market here and you are making the Island less attractive to applicants for education, health and other fields, and that would be a *severe* disadvantage. We already, as Deputy Hadley knows, have had recruitment difficulties in these
255 areas.

So, reluctantly, I have to go against this amendment, realising that the way things are going to go, we are no longer, as a society, being able to protect local people in a way that was possible under the previous regime and I think, unfortunately, we have to accept that.

260 **The Deputy Bailiff:** Deputy Stewart.

Deputy Stewart: Deputy Bailiff, I think this is probably, if we just go back to basics, what we are discussing today is population policy and this is really housing policy. If we do believe that there is a problem with young people getting on the housing ladder, that is really a separate policy to come from the Housing Department to bring before this Assembly.

265 What this Billet is about is managing our population. What we have tried to do in the past is manage our population through Housing and this is actually going back to that. So for example, if Education advertised for a teacher and the TRP is set at a certain level, you could have teachers that are single, you could have teachers that have one child, you could have teachers that have three children, so we would attempt to push them into properties and put square pegs into round
270 holes; or, you might find that because of the way the TRP is set, that the only people who actually want to take that job will be someone with a wife that could come to the Island and work as well, so then they can afford the house or the rent.

So as Deputy Perrot says, there could be a huge amount of unintended consequences and really if there is a problem with young people on the housing ladder, then I think this should be a
275 completely separate piece of policy.

What we are doing is what Deputy Hadley said, with this amendment, is really adding a huge amount of complexity and if you can imagine someone coming from the UK applying for the post of a teacher, getting through the hoops, understanding about the Work Permits and then suddenly being told, 'Ah, but now you have got to look for houses above this or below that.' It is another
280 level of complexity and it could have a huge amount of unintended consequences.

So, I would urge Members to reject this amendment.

The Deputy Bailiff: Deputy St Pier and then Deputy David Jones.

Deputy St Pier: Thank you, sir.

285 I think this amendment is flawed. It seems to... Linking to the property tax assessments, the TRP assessments, of course TRP is based in essence on the footprint of a building and this amendment seems to assume that the ill we are trying to prevent is those coming in from outside and extending properties and therefore extending the footprint and the TRP value.

290 Of course, the alternative is for those to come in to buy a wreck of a property within its existing footprint, do it up, they could easily double its value, but of course its TRP would not necessarily change.

295 So for me, I am not sure that it would actually tackle the problem which Deputy Perrot seems to feel exists. To the extent that people from outside do come in with an Employment Permit and improve the housing stock, I do not consider that to be a problem; I consider that to be an advantage. I think the problem of accessibility for those on the Island should be dealt with through the housing policy and we know that primarily our challenge at the moment is that simply the supply of new houses is insufficient. I think that is the way that we should be tackling this issue, not through this kind of amendment to the Population Management Regime and for those reasons, I too will also be opposing the amendment, sir.

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The Deputy Bailiff: Deputy David Jones, followed by Deputy Sillars and then Deputy Green.

Deputy David Jones: Thank you, Mr Deputy Bailiff, Members of the States.

305 I am actually glad that Deputy Perrot has brought this amendment. He has said from the get go that he is not sure which vehicle it is that should look at this, so I do not think we should get all luvvie about whether it is through the population management document or through Housing or anything else. The general principle of what Deputy Perrot is trying to say, and the thrust of this amendment, is that we do not want to make it harder for local people to find affordable properties.

310 Now, I drove machines on this Island for 38 years. I have dug any number of foundations on extensions on small Guernsey cottages that have taken something that was once, 20 years ago, a £200,000 cottage that was affordable at that time for youngsters and pushed it up to £350,000, because of all the extra building work that has taken place. That has removed that cottage from a certain level of the housing market forever.

315 I think what Deputy Perrot is saying, this has got nothing to do really with TRP; this is about the length of permit: that you come in under a short five-year permit, you buy a Local Market home, you then immediately put in plans to have several extensions put on it, pushing that property when you leave in five years' time to way above the local people who are still looking for property long after you have left. That seems eminently unfair to our local people.

320 I am not sure... It is a messy issue to deal with, I would accept that, but I think the general principle of what Deputy Perrot is trying to achieve is a sound one and to say that there is no evidence, in my mind, is simply not true. There is lots of evidence in the past that people have come here for very short terms and made a real killing on some of these properties, simply because of the high and rising house prices in Guernsey. It is a good deal. If you are only going to be here five years and you want to buy another property when you leave, when you go back to the UK, one of the ways of maximising your investment in that five years you are here is to buy something at the lower end, refurbish it, add to it and then sell it on when you go, for a massive profit.

325 There is evidence that that has happened, so to say that there is not is just denying the facts that have happened in the past.

330 So I am going to support this amendment. It will need much more work. Clearly, the Procureur's e-mail to the Deputies has pointed out that this is no quick fix, and it may be that after this amendment, if it is passed, which I hope it is, a lot more work would have to be done and some pragmatism will have to come in, but do not shoot the messenger on this. This is a real problem. I am bringing amendments, together with Deputy Queripel, to stop actually lifting the restrictions on housing for the same very reasons that we have to protect a certain amount of low properties on the Local Market for our local people. For Deputy Gollop to say that local people have just now got to accept that we can do nothing in the future to protect them and just accept it as a fact, to my mind is real defeatism. That is not the case at all and as long as I have anything to do with this Assembly, we will do whatever we can to try and help the local people get on the property ladder. If that means having some legislation that prevents people coming under permit doing certain things, then I am for it. Thank you.

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Several Members: Hear, hear.

The Deputy Bailiff: Deputy St Pier.

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Deputy St Pier: Sir, I must apologise to you and to Members.

Before I spoke, I should have declared an interest that I do currently have an interest in a Local Market property which is tenanted.

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The Deputy Bailiff: Thank you.

Deputy Sillars.

Deputy Sillars: Sir, I do not have any.

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Unintended consequences: I have sympathy for this amendment but, just speaking from Education, we are finding it very difficult to recruit first-class teachers. They come in on these five-year licences. They are not wealthy. I do not know quite where Dave Jones and others think these people have all this money lying around.

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What I would say is that we are having huge difficulty in recruiting first-class teachers and we have many cases where the cost of housing in Guernsey has stopped them coming to our Island. This amendment will only make recruitment even more difficult and therefore Guernsey will suffer. I cannot believe this only applies to Education; it must apply to other Departments as well.

Please do not accept this amendment.

Thank you.

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The Deputy Bailiff: Deputy Green, followed by Deputy Fallaize, followed by Deputy Brouard, followed by Deputy Brehaut.

370

Deputy Green: Sir, Members of the Assembly, I would ask Members to pause and think very carefully what they have just heard from the Housing Minister on this particular issue.

I am seconding this amendment, so it goes without saying that I support it strongly and I see the merit in it. The explanatory note on the face of the amendment sets out with clarity the precise purpose of this.

375

What I have picked up from the debate this morning is that although perhaps only so far Deputy Perrot, myself and Deputy Jones have spoken openly in favour of this, there has been a certain sympathy with the sentiment behind it and that does suggest that there must be something in it.

380

I too have been made aware of this phenomenon of Licence holders occupying smaller and cheaper Local Market dwellings and then subsequently making substantial developments which inevitably drive a lot of the market value of those housing units and quite simply, that process means that more reasonable Local Market accommodation is then subsequently put beyond the reach of qualified persons. That is something that should be tackled by Government, in my view. Even if this amendment simply has the effect of raising this issue as a political issue, it would have served a purpose.

385

So, I think if this amendment is carried, this would be a positive benefit for first-time buyers and others who seek to buy at the more reasonable, lower end of the market.

390

The amendment's wording is fairly general but, in my view, it would give our Government a real nuanced mechanism for protecting one important element of the property market. It would be quite nuanced, as I say: it would be a nuanced approach whereby Employment Permit holders would be able to live in cheaper housing but simply would not be able to recover a premium by extending them and signing them off. I would suggest this is a rather better approach than the previous approach which was utilised in this Island, whereby Licence holders or Permit holders were in effect *told* that they could not live in particular properties at the lower end of the spectrum, so this is actually a much more cleverly crafted amendment than the practice that previously was adopted by the Housing regime. So, this is not about dictating to people in terms of where they can or cannot live; it is much more nuanced than that.

395

So unlike Deputy Perrot, I do not regard the European Convention on Human Rights as a dark cloud hanging over our Island. I rather think that the right to freedom from torture has some merit to it, (*Laughter*) amongst other rights. I do not see it in the dark terms that Deputy Perrot has enunciated this morning, but putting that to one side, on this amendment, I am 100% behind Deputy Perrot in the sentiment behind this amendment.

400

I would like to deal with some of the arguments against this amendment that have been made somewhat on the hoof this morning. The unintended consequences argument, it is such an old chestnut, it is *so* easy to say that and what people are forgetting is that there are a litany of unintended consequences right across the document we are talking about, because we do not know what will happen. We have not implemented it yet, so it is very easy to say 'What about the

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unintended consequences?' but that same argument applies to pretty much the 40 or so Propositions that we will be voting on at some point this week. So let us not exaggerate some of those proposing arguments.

410 I ask people to particularly bear in mind what the Housing Minister said and to support this amendment.

The Deputy Bailiff: Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

415 It has been claimed that the Population Management Regime is perhaps the incorrect vehicle for the proposals that are set out in this amendment and I think there are perhaps three responses to that. One is that if that is the case, then the amendment by implication goes further than the Propositions in the Billet and there are Rules which deal with that and they were not invoked and therefore we are debating this amendment. It is actually perfectly reasonable for the States to
420 debate amendments which relate to one area of policy, when a report is under consideration which relates to a slightly different area of policy. There is nothing wrong about that.

The second response to it is that the amendment does not prescribe exactly where this legislation should sit. I think Deputy Perrot did say that, when he opened debate on this amendment, but it is possible that this type of legislation would have to sit in whatever the new
425 population management law or laws will be called, or in planning legislation or in housing legislation. That is not prescribed in the amendment. Deputy Perrot is merely asking the States to agree to the policy proposals that he is setting out.

The third argument is that the Housing Control Law, which effectively we are debating replacing, that is the reason we are here, the Housing Control Law *does* set out restrictions at the
430 moment on where Licence holders can live. It is based on TRP, but that is not an entirely dissimilar restriction to the sort of restriction that Deputy Perrot is setting out in this amendment. So, I do not think the claim that the Population Management Regime is an inappropriate vehicle for this sort of amendment has very much legitimacy.

Sir, I suppose I might be the most recent first-time buyer who will contribute to this debate,
435 although that was nine or ten years ago now, but the reason I say that is because Deputy Hadley asked for evidence and I suppose he is right, in the sense that neither Deputy Perrot nor Deputy Green or anybody else contributing to this debate is going to be able to provide hard quantitative evidence of the number of properties which would be, or which have been altered in the sort of way set out in Deputy Perrot's amendment.

440 But there is evidence in respect of access to the market for first-time buyers. If one goes back to the year in which I was born and takes the average market price of a Local Market house in that year and then adds inflation to that figure, one comes out with a figure today of less than £100,000. I think £96,000 or £98,000 or something like that. I worked that out from the figures
445 that were provided by the States own Statistics Unit. In 1981, I think the average price of a Local Market house is £27,000 or something like that. If you add inflation to that today, you get to about £100,000. We know that the average price of a Local Market house today is in excess of £400,000.

So there is evidence, I think, which speaks to the general direction in which Deputy Perrot is trying to move, which is that Government needs to do more to intervene to protect access to the housing market for first-time buyers. There cannot be any more evidence needed than the statistics
450 which I have just referred to.

There are two observations which I want to make about this amendment, which I would like Deputy Perrot to address when he replies. One is that it is interesting that he is proposing that it should be the Policy Council which prescribes the property tax assessment unit etc.

455 Now, I am in danger of straying into an amendment which I will lay later, about who should be responsible for administrating this new Population Management Regime, but I really do not think it is the job of the Policy Council to start getting involved in prescribing property tax assessment units, and therefore I would appreciate him confirming that if the task of running this Population Management Regime is, as I think it should be, delegated to somebody *other* than the Policy Council, that this task would then fall to them, rather than the Policy Council, despite his
460 amendment.

The second, perhaps more substantive issue, is that although this amendment relates to the holders of Employment Permits only, I think that if the amendment is accepted there would have to be work carried out between those who are responsible – well, whoever is responsible for the Population Management Regime – and those who are responsible for planning legislation, and
465 these days I am not sure whether that is the Environment Department or the Strategic Planning Group or whatever they are called; but whoever it is, that is now responsible for planning

legislation, because this amendment I think in time would have to be convertible across the housing market, not just with the holders of Employment Permits, but to those who are now living in what we would regard as the Local Market.

470 It is that, actually, that I want Deputy Perrot to refer to most of all, when he replies, because I am not really persuaded that we ought to intervene in planning legislation or in the housing market to the extent that holders of Employment Permits only should be prevented from altering their homes. However, if Deputy Perrot is suggesting that we at least explore the possibility of that kind of restriction being applied across the housing market, then I think that there is more logical
475 consistency in his amendment.

But if he is not suggesting that, I do not really understand why we ought to try and place a restriction on the holders of Employment Permits from altering their homes, or the homes they happen to be living in, and not do that for people who do not hold Employment Permits because, of course, the holders of Employment Permits are but a minority, a fairly small minority of the
480 housing market. So putting a restriction on *their* capacity to alter their homes is likely to have a very, very small effect, I should not think very much material effect at all, on the average price of a first-time home and therefore the entry price, the first-time buyer price. If, however, this is extended to Local Market homes, then it could have quite a material effect on the price of a first-time buyer home.

485 So, I would appreciate Deputy Perrot, when he replies, giving us some indication whether he thinks that the sorts of proposals that he outlines could be extended beyond Employment Permit holders and if he does, I would say actually that this amendment is not so much flawed as incomplete, as the other half of the job could be done through extending... I do not know whether it would be planning legislation or housing legislation, whatever it would be, but I would like
490 Deputy Perrot to refer to that when he replies, please.

Thank you, sir.

The Deputy Bailiff: Deputy Hadley, you have risen. On what basis?

495 **Deputy Hadley:** Point of correction, sir.

The Deputy Bailiff: Certainly.

Deputy Hadley: The point I was making in my speech was not that we needed evidence that
500 people altered their houses; it was evidence that altering a small proportion of the market would actually make it more difficult for people to buy those houses, because as I stressed, it is the total number of houses that has the most significant impact on the availability of houses for first-time buyers.

505 **The Deputy Bailiff:** Thank you.
Deputy Brouard, then.

Deputy Brouard: Thank you, sir.

I need to declare an interest that I do rent out a property.
510 The sentiment to what Deputy Perrot is putting forward: who could not agree with it? I think and certainly I would normally be willing to support the idea of trying to make local accommodation more affordable for our youngsters – great! That is absolutely great.

But this is absolutely, for me, the wrong way of doing it. We are in the wrong debate for that
515 particular issue. We need to be in a housing debate, Corporate Housing Plan, that sort of thing, definitely not here.

He raises quite a few anomalies, from my point of view, because if Deputy Perrot could clarify this when he sums up, is he saying that a property that a local person owns and is being rented to a Licence holder, that will stop the local person improving that property?

520 So if we look at our market, we have got a market of 100% and I think a third of it, or about 30%, something like that, of the population rent accommodation, so most of that rented accommodation is owned by somebody. So if you then assume that most of the accommodation that is rented out is owned by local people, we are then saying that if you rent out to a Licence holder, you cannot put a conservatory on, but if you rent that property out through a local person, you can put a conservatory on. That just seems completely strange.

525 I know Deputy Perrot was having a little bit of a go at the Governor this morning, so I thought I had better carry on, (**Deputy Perrot:** Joke.) but the Governor under Proposition 32 will need a licence, but his house will be able to be improved because there will probably be a high enough

TRP. But a nurse under licence, HSSD will not be able to improve that accommodation that it rents out to a nurse, because it will be a low TRP. How bizarre is that?

530 So please, I would like some clarification on this. I *totally* agree with the sentiment, but this is not the particular horse to use.

Thank you, sir.

535 **The Deputy Bailiff:** Deputy Brehaut, to be followed by Deputy Soulsby, to be followed by Deputy Le Tocq.

Deputy Brehaut: Thank you, sir.

Once again I find myself in the minority, I am not a landlord. (*Laughter*)

540 Deputy Sillars made an argument that the five-year housing Licence holder, the teacher, comes to Guernsey, it is not easy for them, they make sacrifices, property is expensive was the type of narrative behind his speech. But I know of a number of people that have come to Guernsey that have had property outside of Guernsey and they rent it. They have an interest-only mortgage. They re-develop the property and view the five-year term on Guernsey as an opportunity to invest and leave Guernsey in a financially healthier position, and that happens time and time again.

545 So, although we talk of the beleaguered five-year housing Licence holder, I think there are two sides to this coin.

People tend to get jittery when politicians try and interfere with the housing market, but next month, in the July Billet, you will find yourself directly involved in property speculation at the very, very highest level. In the July Billet, you will have yet another re-inscription. So developers are now... and I am on the Planning Department, I have tried to make this argument around the table and it is something we need to guard against.

550 It is my view that what was the MURA Policy, the Mixed Use Residential Area Policy, whereby one unit perhaps of Open Market property could be inscribed onto a new development, we are now seeing this time and time again. So very, very small developments such as the one in next month's Billet, the former Les Carterets Hotel, will have four Open Market properties inscribed onto it.

Now, how do they achieve that? The developer – not a pejorative term necessarily (*Laughter*) – the developer will look around and see what properties are at the bottom end of the Local Market – shabby chic. Where are they? They look for them, they acquire them, they sell these properties in a poor state of repair on occasions to those 'us locals', and they then take this re-inscription onto a new development that will realise them possibly in excess of £1 million per flat or per property.

560 So we directly intervene in the housing market and I like this amendment. I think this amendment is seeking to correct the drift that has taken place.

If you were in this Assembly, any of us who were here 10 years ago, some of us were, every debate, every manifesto would have had housing somewhere in it. Housing was the topic of the day. Now, we think the housing problem has gone away, when of course it has not. There is an undersupply of 431 homes – sorry for the repetition but the Sarnia Housing Association has emergency housing that is full and has a waiting list. So the housing problem has not gone away.

570 The success of the Housing Department has been in *social* housing, but the real housing market, all the problems are still there. So I support this amendment, because I think this amendment is trying to do something about that.

With regard to Deputy Hadley saying *again* this was discrimination, as has been pointed out already, TRP is there now and when people are trying to acquire properties, the Housing Department try and move them up the housing ladder, by putting a TRP restriction in.

575 I suspect this amendment may lose, but I think in showing it some support now, we are acknowledging that there is a problem and that problem needs to be addressed sooner, rather than later.

580 **The Deputy Bailiff:** Deputy Sillars, you have risen to your feet. On what basis?

Deputy Sillars: Sir, it is a point of correction.

The Deputy Bailiff: Thank you.

585 **Deputy Sillars:** Fact: we in Education are constantly being turned down, because of the cost of housing. That is Education.

The Deputy Bailiff: Deputy Soulsby.

590 **Deputy Soulsby:** Sir, I would just like to follow on from what Deputy Fallaize said and I find myself agreeing and disagreeing with him.

Whilst I understand the sentiment of this amendment, I do not see it being effective. As Deputy Fallaize states, what about local people who develop their houses? This amendment implies it is only people coming over on licences with big fat salaries that are doing it. Well, that is not the case. It is clearly not and I suspect you will probably find there are more locals than Licence holders who are actually extending their homes.

I disagree with Deputy Fallaize that the amendment should be extended in this way. We have a fragile construction industry at present and shutting off such potential work would, I believe, have a detrimental effect on this important economic sector.

600 That is why I find I cannot support this amendment.

The Deputy Bailiff: Deputy Le Tocq, to be followed by Deputy Gillson.

605 **Deputy Le Tocq:** Sir, I declare an interest in that I own a property that has, over the years we have owned it, doubled in value of TRP and, prior to that, rateable value. That was because it was a three-bedroom property that belonged to my maternal grandfather to begin with, and we have extended and developed it into a six-bedroom property, with a granny flat on the side, etc.

I cannot see, sir, any reason why I should be allowed to do that and yet someone coming in to teach my children at school should not be allowed to do that.

610 Sir, I agree with the sentiment that we need to do something about the problems that our first-time buyers have. I have one daughter who has got married and is house hunting at the moment with her husband and one who is about to get married next year. I know the problems that that causes, but this is not a way of dealing with it. This is a sledge hammer to crack an important nut, perhaps – it is an important nut, but it is not the appropriate tool, and I would certainly urge that we need to find appropriate means of providing first-time buyers' houses, but part of the problem exists because years ago, our forefathers did not improve their properties. There were not great needs of property development and people lived far more together than they do today, so we are living in a changing age and changing higher expectations of what size of property and how many bedrooms it should have, etc.

620 This is a population debate and I think we are getting diverted into other issues which in fact are difficult for us to solve here, on the hoof, with amendments like this.

So I urge Members of the Assembly to vote against it.

The Deputy Bailiff: Deputy Gillson, followed by Deputy Inglis, followed by Deputy Storey.

625 **Deputy Gillson:** Sir, first of all, sir, I must declare an interest that I own some property which is rented.

I am tempted by this amendment. It is superficially quite a good one, but I think it falls into that category of superficially good, but it would not actually work. I am going to look at a particular aspect which I do not think anybody else has mentioned so far and this relates to all Employment Permits, this amendment, not just short.

630 Deputy Perrot and Deputy Brehaut have mentioned people coming in and five years, but this would also relate to people who come in on eight-year permits. These are people who we will be inviting in to the Island to come for eight years, to when they will reach the first milestone and we are effectively saying to them, 'Come into Guernsey, we will give you a permit to come here to be local, to join our community, to contribute – but you still cannot improve your property.'

635 To me, it is a fundamentally wrong thing to do. I think it will cause a problem in terms of being able to recruit teachers, any professionals in. It is another hurdle, it is another thing to make Guernsey less attractive when we are trying to bring in people that we need and as a society want to bring in.

640 So for that reason, sir, and a lot of the reasons other people have said, I will not be able to support this amendment.

The Deputy Bailiff: Deputy Inglis, then.

645 **Deputy Inglis:** Deputy Bailiff.

Members, it was mentioned by Deputy Le Tocq that we are here to discuss population. I think it is important that we remember we have 10 parishes here, we have a very parochial attitude to where we live. If we damage our housing stock in our individual parishes, where are people going to live?

650 Naturally, I am from the West – everyone wants to live in the West. (*Laughter*)

Deputy Brehaut: Sir, he has to withdraw that remark!

655 **The Deputy Bailiff:** I would have to declare an interest, Deputy Brehaut! (*Laughter*)

Deputy Inglis: But our young people in the West are seriously struggling. I am very much in support of what Deputy Perrot is saying. I too received a lot of comments where they felt that it was not right that housing stock taken out of a certain level should not occur.

660 Of course, if they cannot live in the western parishes, if they cannot live in the Castel, where are they going to go? They are going to migrate to areas that maybe have the cheaper housing stock and then we have got real population problems manifesting in other areas.

So, I would urge that Members do support this amendment.
Thank you.

665 **The Deputy Bailiff:** Deputy Storey.

Deputy Storey: Thank you, sir.

670 First of all, I would like to start by saying I have a great deal of sympathy for the sentiment behind Deputy Perrot's amendment. I too am concerned about the ability of young people to get onto the housing ladder. It is a great problem.

I also have a great deal of sympathy for those people, for the first-time buyers. It is extremely difficult to find something that you can afford, or even to manage to save up the deposit under present financial circumstances, to enable you to get yourself on to the housing ladder.

675 So I have a great deal of sympathy for trying to ensure that young people are able to get on to the housing ladder, but I do not think that this approach is the right approach. As has already been said, the improvements are made to property just as much, in fact if not more, by Qualified Residents than by Licence holders. So I do not think that by following this route, we are actually going to ensure that we have a significantly better supply of houses for first-time buyers.

680 The reason for the high prices and the difficulty is the shortage of property. Deputy Fallaize showed how the value of property has completely out-stripped the level of inflation, in general inflation on this Island, over quite a long period of time and that can only be because we have a shortage of property. We have had a shortage of property for an extremely long time. The Housing Needs Survey, which was published not so long ago, showed that we needed about another 400 properties a year in order to provide adequate housing. If we had an adequate supply of housing,
685 then the pressure on prices would not be what it is.

So my attitude, really, is not to go down this route, but to go down the route of making sure that we provide more property in the right categories to enable this problem to be solved, because I do not think we will solve it by restricting people from doing things with their own property.

690 Now, we are in Housing, *trying* to address this property with shared-equity housing, which enables young people to get on to the housing ladder on a shared-equity basis as a first step, before moving on. But we do need more lower-cost property being built on the Island for the future of house prices and the ability of young people to actually get on the ladder. I have to say, to a large extent, that is going to be down to this Assembly providing land for this housing to be developed in the future.

695 So I am grateful to Deputy Perrot for raising this point, and for us having this debate. I cannot support his amendment, but I am glad that he has flagged up the problem that we have in providing adequate property in the right price categories for it to enable younger people to get on to the housing ladder. As I said, it is down to us in this Assembly to ensure that the land is provided upon which these properties can be built in the future.

700 Thank you, sir.

The Deputy Bailiff: Deputy Le Lièvre.

Deputy Le Lièvre: Thank you, sir.

705 I would like to declare that I own a property, shabby chic – actually no, it is just shabby. (*Laughter*)

I agree entirely with the thrust of this amendment. It is undoubtedly on target. There will be consequences. They will not be unintended, they will be consequences and I think the obvious one is this business of key workers, people coming over and finding...

710 Guernsey is not the most attractive place to live in the world for somebody who has not got an awful lot of money and they do find it difficult coming over here. We do not want to put further restrictions in their way and we do want our children educated by the best possible teachers, so we have got a bit of a conundrum there.

715 That is not really... My major objection is that if somebody comes over and they are granted a licence, they buy their house and they come here with one child and the wife or the partner finds that she is pregnant with twins, they have already bought into a home, they might have decorated it, it has become their dwelling, their castle, but the fact that they cannot move up into the loft to accommodate their youngsters and that they have to move is a hurdle that is not attractive for a young family, I do not think.

720 I have fears that this would make the whole prospect of buying a property, moving to Guernsey in the first place, less attractive because you tie people down by rules – ‘you cannot do this, you cannot do that, you can paint it but you cannot put in an extra staircase, you cannot put a roof light in to make bedrooms for the children’ – I just find that really quite restrictive, and I think it would put people off, but what really... and I am hoping, actually, as a result of this debate, that whoever goes away with the definite idea that we have got to do something, we have to put restrictions in place, but they must be to a degree sensitive. You cannot simply put a blanket restriction on the whole lot, because it becomes intolerable.

730 What really turned me off this amendment was when Deputy Fallaize said that possibly consideration might be given at some future stage, or we would like to hear what Deputy Perrot says about it, about moving it to the local housing market in general, because that is really dangerous – really very dangerous. The method by which young people move from one area of the housing market to another is by buying a run-down Home for Workers Loan Fund bungalow, built in the 1950's, putting some bedrooms in it and moving on to possibly something bigger and better, or maybe not moving on at all. There is a lot of housing in Guernsey which is available to be developed in a family way – not developed so you knock it down and build three or four houses on what was an unsuitable site in the first place, but you develop it in a manner which suits the needs of your family.

740 I have lived in my shabby house, I built it and I have lived there for 36 years. I have got no intention of moving *whatsoever* because I treasure my home, I treasure the lane I live in. I have a fear of putting in place rules which will restrict people's ability to do exactly what I have done.

So I will vote against the amendment, but I am hoping that the thrust of it and the spirit of it finds it somehow into future legislation which will protect... I am as Guernsey as anybody in this Assembly and I value the ability of my children and my children's children to buy into dwelling in Guernsey. I do not want to make that more difficult.

745 But I do, I really do want to allow people the freedom and the flexibility to live in their homes that they bought, that they have worked on, that they treasure. Whether that is after one, two or five or 15 years, it does not matter to me. Once you have got your home and you are happy there, why should you be forced to move simply because of an artificial restriction?

750 So I will vote against it, but I would like some recognition in future legislation or in future policies that come out of this debate, which somehow take the gist of what Deputy Perrot says and put it into a workable solution, but not one that is so restrictive that people have to think about whether they accept a Licence or whether they can buy into this house and what have you – and certainly *never, ever* extend it into the market because that is how people move up the housing ladder.

755 Thank you, sir.

Deputy Fallaize: Sir, may I explain a comment I made earlier, obviously not in sufficient clarity?

760 **The Deputy Bailiff:** Point of clarification, yes of course.

765 **Deputy Fallaize:** Because now three speakers have referred to something I said about this being extended to the Local Market. What I meant to say, if I did not actually say it, was not that I was in favour or opposed to that, but that in order for the sorts of proposals laid out by Deputy Perrot to be truly effective, they would need to be extended from Employment Permit holders into the Local Market, and did he envisage that could be done in the future, in the event that his amendment is successful?

Thank you, sir.

770 **The Deputy Bailiff:** Thank you, Deputy Fallaize.

Deputy Sherbourne.

Deputy Sherbourne: Thank you, Deputy Bailiff.

775 Members of the Chamber, I would like to declare an interest. Unlike the others, I do not have a house that is rented out to anybody; but I have, over my long residency in Guernsey, had many properties that I have improved, most of them in my own spare time, and if this sort of amendment had been in place at the time that I came over to this Island, I would not have got off the ground.

780 I have improved my living conditions through hard work in my job and, in my spare time, plastering, plumbing, doing the electrical work, improving the home. I was an incomer. I happened to be married to a Guernsey girl, but I was a proud Englishman coming to a lovely Island. It has given me a lot of opportunities and I am very fortunate to have benefited from those opportunities.

785 What I do *not* want to see is other people coming into the Island who could grow to love the places I have being denied that opportunity. So I certainly will oppose and vote against this amendment, sir.

Thank you.

The Deputy Bailiff: Deputy Dorey, to be followed by Deputy Spruce.

Deputy Dorey: Thank you, Mr Deputy Bailiff.

790 I declare an interest. I jointly own a Local Market property that is rented out and I own shares in a company that own a number of Local Market properties that are rented out.

795 I agree with Deputy Fallaize and I think we discussed it in detail in that important debating area of Lukis House car park last night! I agree with everything he said. I think it is important that we keep a number of properties that give access to local people to buy as their first-time house. I know people always want to improve houses, but it is partly a result of our system of taxing household transactions and not taxing properties which encourages people to always extend their property because it is the cheapest way out. I have spoken a number of times before that I do not like our system of taxing transactions to purchase a house.

800 I think we need to have a policy of keeping some houses which are accessible to a first-time house buyer.

Thank you.

The Deputy Bailiff: Deputy Spruce.

805 **Deputy Spruce:** Thank you, sir.

I will keep this brief because nearly every possible reason for not supporting this amendment has already been given and I would like to declare an interest, because I also have a couple of properties that I rent.

810 I, like everyone else, am attracted to the principles of the amendment. Sorry, there is always a but – but as many have said, there is a real housing shortage in the Island. I think Deputy Storey mentioned the fact that something like 400-plus homes are needed a year to resolve some of the problem at the lower end of the market.

815 I think the specific problem in the West, which was highlighted when you were doing the election trail, is that there is no or hardly any development allowed in the Western parishes. I think if you really want to resolve the situation, you need to fight a little bit less to stop development in the West. You need to share the burden amongst the whole Island. (**Several Members:** Hear, hear.)

820 Something like 400-plus properties being squeezed into St Peter Port and St Sampson and the Vale is totally unrealistic, so you can find lower value properties in this side of the Island, so I think in the next debate where housing should be placed on the Island, I would ask the Deputies from the West to support some development in your parish.

Several Members: Hear, hear.

825 **A Member:** Well said.

The Deputy Bailiff: Deputy Bebb, do you have a fresh argument to raise for or against this amendment? Because as Deputy Spruce has just said, most of it has been rehearsed, I imagine.

830 **Deputy Spruce:** Thank you, Mr Deputy Bailiff.

I do have a few things in order to say which have not been said already.

835 We have talked about unintended consequences and I would like to just highlight one particular issue that I was aware of, that happened here in Guernsey, which I am sure the proposer and the seconder of this amendment did not give deep consideration. There was one professional who came to this Island who had a severely disabled child and in order to make the property that they bought suitable for that particular person and their family and disabled child, there was a need to install an additional bathroom, there was a need to install additional facilities and so forth, in order to make the property even habitable.

840 Therefore, I would contest that, of course, in such circumstances, we really would be barring people from coming into this Island if this were to be accepted, because developing the property and adding an additional bathroom would of course increase the value of the property. I am sure that was not the intention of those people. However it is a possible consequence, that we would put a bar on people who are seeking to come to this Island that have disabled members in their families.

845 I would also want to say one other thing on this particular amendment and various Deputies have actually suggested that it is wrong that this is happening. However, it is capitalism and we are pleased that we have got a system where people can actually aspire to improve their own personal living conditions. Therefore, I would say that this particular amendment, if passed, would be the Government saying that it is wrong to aspire. Surely we cannot have a Government that would say to people who come here that it is wrong to aspire, to improve your living circumstances, by improving your housing.

850 Thank you.

855 **The Deputy Bailiff:** Deputy Burford.

Deputy Burford: Thank you, sir.

I too have much sympathy with this amendment, but I do think that there would be too many unintended consequences, many as outlined by Deputy Le Lièvre.

860 In December last year, I laid an amendment that directed Treasury and Resources to consider a tax to curb the type of property speculation that puts unreasonable upward pressure on prices. Despite the fact that Deputy Perrot spoke and voted against it, perhaps that would be a better way to at least going some way to achieving the objective here.

865 **The Deputy Bailiff:** Deputy Lowe.

Deputy Lowe: Thank you, sir.

870 I have got sympathy for this amendment, and really, the meat is not on the bone with it, so I agree with the principles of it. Many have stood up and said the same really, sir. That obviously would be for a report to come back, or legislation to come back and that would be the time, once you actually see if it is very complex, all the difficulties with it would be hopefully ironed out.

875 It is interesting to hear Members from the West saying about development. It is only a matter of a few weeks ago or so, the Environment Department refused development in the West for a property to be converted and indeed it went to appeal and was still refused. Most of the objections were people from in the West and that was for five flats for people who live in the area to be able to probably go and occupy those. So I think there is a little bit of hypocrisy flying around this Assembly this morning.

880 I certainly have sympathy for anybody coming under Licence that would find themselves in that situation, as explained by Deputy Le Lièvre. They come here, they have got a child, they get pregnant, they have twins – but that happens to our locals. Our locals are in exactly the same position. They end up having to go and move. So why should we actually see it any different?

885 If we are trying to look at trying to keep Local Market and the smaller developments within Local Market, I think this is the area where, through this amendment, it would hopefully be achieved. I do not think we should actually be saying ‘Well, we will forget about that because it will be difficult for those coming under licences.’ It is no different for those actually living in this Island and so I, at this moment in time, will be supporting the amendment.

The Deputy Bailiff: I turn to the Chief Minister to reply to the debate on the amendment on behalf of the Policy Council.

890 **The Chief Minister (Deputy Harwood):** Mr Deputy Bailiff, thank you.

I tried to consider whether or not I have an interest to declare. There is a remote one. I have a property which I own and live in, which actually happened to be developed by a company in which Deputy Perrot had an interest. *(Laughter)* Maybe that is an interest –

895 **A Member:** Is this social housing?

The Chief Minister: Can I also say, sir, that I am second to none in my admiration and respect for my learned friend, Deputy Perrot. I am also grateful to Deputy Green for reminding us about Human Rights, because I do have an issue in Human Rights on this one; but I am also grateful for him reminding me that there is a Human Right against slavery and torture, because, as Deputy Perrot constantly likes to remind me, I used to work for him. *(Laughter and applause)* When I was a law student, in the last century, the law of employment was expressed in a concept of master and servant. I leave you to draw your conclusion as to which role I played. *(Laughter)*

I would urge Members of this Assembly to vote against this amendment. It is the wrong debate, it is a flawed amendment. Whilst we have sympathy with the sentiment behind the amendment, the amendment as drafted is discriminatory and there are also, I believe, sir, Human Rights issues. It is discriminatory because the logic of the sentiment, if extended to logical conclusion would mean, as Deputy Fallaize has hinted, you would have to apply a rule against *all* property development applicable at certain TRP levels. That would be the only way this particular amendment could work in a non-discriminatory fashion and I believe that is a step too far for this debate, but it may be appropriate for another debate.

So I would urge all States Members to vote against this amendment.

915 **The Deputy Bailiff:** Deputy Perrot to reply on the debate.

Deputy Perrot: I wonder if you remember, sir, we have spent many hours together in this courtroom. You on that side –

920 **The Deputy Bailiff:** On opposite sides, yes. *(Laughter)*

Deputy Perrot: – I was on that side, and we had a full court up there. I was waiting yet again to go down against you, in yet another planning appeal and the judge would start summing up and he would say something in my favour, and I knew that I was going to go down, fighting. *(Laughter)*

925 I have the same sort of idea. *(Laughter)* Everybody stands up and as soon as someone says, ‘I have great sympathy, but I appreciate the thrust of...’ *(Laughter)* you know that you are going to get... I knew that I was going to be torpedoed by the Policy Council, but not quite so comprehensively as I have been today.

930 Anyway, I am afraid there are a number of points to take up. These are serious points, seriously made.

As far as Deputy Hadley was concerned, his opening comment was that this would be complex. I accept that, but the fact that something is complex does not mean to say that you do not enact it if it is right.

935 What I am trying to do, although some people did not seem to see it, is that I am trying to find some element of protection and justice for locals. I know that as of yesterday, you are not allowed to say that, because you are being accused of racism and xenophobia, but I deprecate what Deputy Harwood said about Deputy Queripel yesterday, because he was just trying to protect locals as well – admittedly misguidedly, *(Laughter)* but that what he was trying to do.

940 Deputy Hadley also said that there was no evidence. Well, I am very grateful to Deputy Fallaize for pointing out, actually, that there is evidence.

You cannot have, actually, quantitative evidence for absolutely everything, but sometimes you know it. All of us went on the stump last year and we know what we heard. One of the recurring things, as far as I was concerned, was... It was surprisingly not that property was expensive, there seems to be an acceptance supporting this, but one of the specialised arguments was that some property was being taken out of the reach of Local Market first-time buyers because that property had been developed by Licence holders.

945 Deputy Hadley also said that it is discriminatory and a number of other people have said it, not least our Chief Minister. Yes, it is.

950 **Deputy Hadley:** On a point of correction, sir.

The Deputy Bailiff: Just bear with us, Deputy Hadley.

955 **Deputy Perrot:** Yes, it is. What I am proposing is discriminatory. I am saying that, as far as I can interpret it, it is not discriminatory within the terms of the European Convention of Human Rights, but it is discriminatory in the same sense that putting a ban below which you cannot buy, so far as tax on real property is concerned, under the licensing system, *is* discriminatory. So I plead guilty.

960 **The Deputy Bailiff:** Can I just pause you there, please, Deputy Perrot?
Deputy Hadley, you wanted to rise. I did not want you to interrupt Deputy Perrot's flow at that point. (**Several Members:** Hear, hear.) Do you have a valid point to make under Rule 12(6)?

965 **Deputy Hadley:** Yes, sir.
Again, the point I made is there is no evidence that you make it more difficult for some first-time buyers to purchase a house just because a tiny section of the market moves elsewhere, because where it has moved to, those people are going to buy something else. There is no evidence that you have altered it and made it more difficult for people.

970 **The Deputy Bailiff:** Can I say, I do not think that is a valid interruption, Deputy Hadley. (**Several Members:** Hear, hear.) I do not think it is explaining a statement previously made by you which is being misconstrued. I think everyone has their point and that is repetition, so please Members, let us not have that again.

975 Deputy Perrot, I am sorry you have been interrupted, please continue.

Deputy Perrot: Moving on to my good and close friend, Deputy Trott: I thank him for his help here and when he said that what I am proposing is a blunt instrument, I am not sure that it is a blunt instrument. It is capable of nuance, as Deputy Green said in his speech in support. It is not retrospective because it concerns what will be happening in the future, but Deputy Trott said that *on balance* he was going to vote against me, after inveighing against all that I have said. Well, if that is on balance, I would hate to think what he would say if he was *really* opposed! (*Laughter*)

980 The planning Minister, Deputy Domaille, said that planning legislation was not the correct vehicle. Well, I have already admitted, right at the outset, that it troubles me, somewhat, but we are a legislative chamber. If there is a problem, we have got to resolve it somehow and we legislate for it.

985 So, if it needs to have some sort of code or codicil to the planning, well, so be it; if it needs stand-alone legislation, so be it. I am not, at this stage, trying to propose where the legislation stands; it is just that we need to sort out, as I see it, but almost no-one else does, a problem.

990 'What sanction is going to be provided?' he asks. I do not know. That is something which will materialise when the legislation materialises. After all, we have got a huge policy document here and it has been admitted by everybody that at this stage, really, we are discussing principles only. We do not even know, for example, what the transitional arrangements are going to be. So if I did not come up with a particular sanction... I did not because this is not the time to be doing it.

995 Deputy Gollop said that it is a misconception to see all Licence holders as doctors and lawyers, etc. Well, I agree entirely with him, but my aim is at the lowest end of the property market.

1000 Deputy Stewart says that we are trying to fit square pegs in round holes, but his argument seemed to be, somehow, in objecting to the notion that my Proposition would prevent Permit holders to live in Local Market property, and that is not my idea at all. My idea is to prevent people changing Local Market property, thereby increasing the price, getting the premium, taking it away from the 'purchaseability', if that is the correct word, of first-time buyers – nothing to do with occupation.

1005 The Treasury Minister, I thank my Minister for his support, but he said that people could buy a wreck of a property and its tax on the assessable units would not change by that property being restored. I accept that, but I think his response, again, is looking at a property which is quite different from the sort of property I am thinking of, because comparatively rarely, where people who have got the money to buy a wreck of a property and restore it to some mansion status, or villa status... that is not the sort of market that I am addressing here. I am looking at the cheapest end of the Local Market and I think that is *not* what Deputy St Pier is looking at.

1010 I thank the Housing Minister very much for his...

Deputy Sillars: I do not doubt at all that the Education Department has had difficulty in attracting teachers, because of the cost of Local Market property, but my proposal would not stop teachers occupying properties. What would happen is, if a school master wanted to buy a Local

Market property that was on the Employment Permit, what he could not do, in respect of this level of property which falls below the tax on real property benchmark, he could not actually improve that property – but it does not stop him living in it.

1015

Deputy Green: I thank him very much for his support. He tweaked my tail a bit about the European Convention on Human Rights. I know that he thinks that I am rather swivel-eyed about the whole thing, (*Laughter*) but I am not sure, if we actually did away with some of the articles in the European Convention on Human Rights, that the States of Guernsey would then start re-engaging in wholesale torture. (*Laughter*) My problem with the European Convention on Human Rights is the somewhat bizarre judgments which we have had in relation to the European Convention, not least those which are handed down now by the Supreme Court in the United Kingdom.

1020

Anyway, it was a good joke. (*Laughter*)

1025

Deputy Fallaize, I thank him for what support he did give me. (*Laughter*) He asked, why the Policy Council? Well, just because this Report is produced by the Policy Council. I do not mind whatever body is designated to look after population management and if the Policy Council has no role to play in that – if there continues to be, for example, a Housing Department which has a role to play, that could well fall within the task of the Housing Department.

1030

Should this proposal be converted in the future so that it embodies the whole of the Local Market? No, I most certainly do not agree with that. I am sorry that I have lost your support. I do not wish unnecessarily to interfere with the freedom of people to do whatever they wish to do with their own properties.

1035

Deputy Storey says that the reason for high prices in Guernsey is the shortage of houses. That, in part, is true but the high prices are also the objection of the betterment of many Local Market properties as well, so there is not one single factor that contributes to the price.

Deputy Le Lièvre will not be supporting me. I am sorry about that. He says that if a person has a child living in one of these properties and has more children, it is not right that he should not be able to continue to live in the same property. Again, may I use this phrase myself, though: I have sympathy with that view. But equally, of course, that argument can be employed under the present regime, whereby there is a restriction in relation to the improvement of Local Market accommodation by those on Housing Licences, and that is based upon a tax on real property of that Report.

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1045

Deputy Sherbourne says that he has skills of plastering, plumbing and doing the electrical work in respect of his own property and he wants people to continue to be able to do that. Well, what I am telling him is that people can certainly continue to do that – he can live in *my* house if he would like! (*Laughter*)

1050

Again, what I am not trying to do is to restrict local people from living in Local Market accommodation. I keep coming back to that theme because it will not stop local people living in all Local Market properties. What it is trying to do – and I know that I am going to fail here – but what it is trying to do is simply keep one level at the lowest end of the property spectrum for those who want to get onto the property ladder.

1055

Deputy Spruce, who is another colleague of mine in Treasury and Resources, also says that the problem here is that there is not sufficient property on the Local Market. I accept that there is insufficient property; I also say that some of the properties are taken out of reach because they are developed by people on licences at the moment and that could continue under the new Employment Permit regime.

1060

Deputy Bebb comes up with the case of somebody with a severely disabled child. Again, who would not have sympathy with that sort of example? But hard cases do make that law and, of course, in the draft of the legislation, it is not inconceivable that exemptions would be carved out.

Deputy Burford, again a little joke at my expense about dwellings' profits specs: all that I can say to her is that that was an appalling knee-jerk tax brought in, in the 1970's, as a result of various speculations by one particular person. It had no merit at all, it collected almost no tax. It was a mean, malicious, spiteful, knee-jerk piece of legislation. (**Several Members:** Hear, hear.)

1065

As far as Deputy Lowe is concerned, I think she was... yes she was supporting me, (*Laughter*) although again she had a tilt at me because I was involved in objecting to the development of five flats in St Saviour. Of course, she is making quite sure that she does not compare apples with apples; she is comparing apples with pears, and the real problem about that building related to its situation in the Conservation Area and the density of the development. It has nothing to do with what I am talking about this morning, as she perfectly well knows. (*Laughter*)

1070

The Chief Minister, I think was generally not supportive of me. (*Laughter*) But it would have been nice to have made a profit on the house I sold. (*Laughter*)

1075 I am sorry, I missed out a sheet of Deputy Brouard who says that this is the wrong debate. He is echoing, of course, what a number of Members have said and I take the point, but I still make no apologies for it.

1080 What he is saying is that though, there could be difficulty in respect of property rented out to Permit holders by Local Market owners. I accept that that would be the result of this amendment, but the point is that the property owner has chosen them... the Local Market property owner has chosen to treat Permit holders at the lowest end of the property market and that, I keep coming back to that theme, it is the lowest end that I seek to deal with.

Deputy Brehaut, thank you. I thank him very much for his support.

1085 Deputy Soulsby asked about local people who want to develop their properties, whether there will be an unnecessary inscription of them. In the generality, that would not be the case because most people owning Local Market properties would be able to develop them as they wish. Again, back to this theme, but we are dealing with a particular area at the lowest end, on the Local Market.

Deputy Le Tocq: well, I do not think he raised any argument that I have not answered already in my various comments.

1090 Deputy Gillson: well at least there was a variation on the theme, it was not just sympathy here. He does say that my amendment is superficially good, so I am grateful to him. (*Laughter*) But then he said this would apply to eight-year permits – yes, indeed it would apply to all Permit holders. One would hope that Permit holders anyway, as their own requirements change, would trade up. That is what they do under existing Housing Licences, but Deputy Gillson is right, this amendment would extend throughout the whole range of Permit holders.

1095 Thank you, sir, for your patience in listening to all of this. I thank the States for what has been a very long debate on what clearly some people think is a very small and insignificant point. I apologise for that, but I did believe that this amendment had merit.

Anyway, I know that I will lose so I thank you very much. (*Laughter*)

1100 **The Deputy Bailiff:** Well, Members, we go to the vote now on the amendment moved by Deputy Perrot, seconded by Deputy Green, to insert a new Proposition 13A. At the risk of repeating myself, if there is any Member who has not spoken, who does have an interest to declare before voting, they should declare it or they should absent themselves from voting.

1105 **Deputy Luxon:** Sir, I own a property that is rented out to Licence holders.

The Deputy Bailiff: Thank you, Deputy Luxon.

(*Interjection by Deputy Paint and laughter*) No comment, Deputy Paint. (*Laughter*)

Deputy De Lisle.

1110

Deputy De Lisle: I have to say the same, sir.

The Deputy Bailiff: Thank you all very much. (*Interjection and laughter*)

Those in favour of the amendment –

1115

Deputy Lowe: Can we have a recorded vote, please, sir?

The Deputy Bailiff: Alright, we will move to a recorded vote.

1120

There was a recorded vote.

The Deputy Bailiff: Well, Members, we will wait for the voting slip to be passed up and we will move on to the...

1125

Deputy Trott is standing.

Deputy Trott: Sir, and did you notice how I waited to be called, sir? (*Laughter*)

The Deputy Bailiff: I am delighted, can I say!

1130

Deputy Trott: Sir, just on a minor matter, my very good friend, the Deputy Greffier called Deputy Le Pelley, who is not *relevé*, and his *absence de l'Île* was given earlier.

The Deputy Bailiff: Yes, and also Deputy Collins is not on the roll call today, so we will note that for any future ones. I was going to send a note, rather than draw public attention to it.

1135 So the next amendment will be Deputy Laurie Queripel to move an amendment that is being seconded by Deputy David Jones.

So, Deputy Laurie Queripel.

Deputy Laurie Queripel: Thank you, sir.

1140 Sir, I think we need to remind ourselves that this proposed new regime is something of a game changer. It really is quite liberal, in some respects, and it does not seem to take on board that we live in a small Island with limited resources, including the supply of what might be classed as affordable housing.

1145 Sir, I actually take issue with paragraph 10.2 on page 745, where it says... I have got the wrong one, sir. Sorry about that. I have got the wrong reference. Excuse me, sir, just a second.

Sorry, sir. It is paragraph 1.1 on page 706 and it says:

‘Such mechanisms as are currently available, in the form of the Housing Control and Immigration regimes, were not designed for this purpose and in any event affect only a relatively small proportion of the population.’

1150 Well, sir, that is misleading. The arrival of Licence holders over the years, many with families, does and has created a cumulative effect. Lots of ex-licensees and their ex-dependants remain. Does anyone seriously believe that Guernsey’s housing price bubble has nothing to do with the distribution of licences over the years? I do not, sir.

1155 So I think this Proposition 34 is quite a rash Proposition. There is no assessment, analysis, or projection as to the likely or possible effects of the changes proposed – which is the removal of the current restriction, sir.

1160 So no evidence-based decision making here. In fact, I note with interest, sir, that on page 760, even in one particular case, anecdotal evidence is given some credence. So we need to tread warily, we are stepping into the relatively unknown, which is why the proposed removal of the restriction surprises and concerns me.

Now, sir, I am going to make my own educated guess now and I am anticipating that if this Proposition goes through, the demand on this section of the market will be even greater, making it even more difficult for young Islanders to get even a toe on the property ladder, let alone a foot.

1165 In addition, sir, some Licence holders – and it will be Permit holders in the near future – working both within the public and the private sector, come with financial packages including quite generous accommodation and housing allowances and subsidies, providing them with an immediate advantage. Sir, in fact what we are looking at is something of an experiment, which is why I am recommending it is approached carefully and with circumspection. This is quite a radical proposal, and I see nothing in this Report to justify it.

1170 So the point I am making, sir, is that we are already entering new territory with this regime. Let us go armed, at least, with a modicum of reassurance for Islanders who wish to make a home for themselves.

1175 Sir, not all of the Housing Control Law should be swept away. This measure is sensible and proportionate. It would make sense to have something very similar, as Deputy Perrot said, so I am not prescribing exactly what it should be at the moment. It is a TRP measure, but it could be anything that the Policy Council and the legislation when it comes back recommends. We should have something similar to what we have now in the new regime.

1180 Sir, it is a moderate, well-established measure, welded to a very good intention and the point is, sir, the policy can always be revisited, once we have had a chance to see how the new regime plays out, but my point is that it is much harder to try and re-establish something once it has been removed.

1185 So you cannot apply the full-on free-market approach, when the market is so limited – short on supply and big on demand. In such circumstances, there is no such thing as a free market. Somebody will always pay the price and it will be young locals, making their chance of accessing the property market even more remote. I hesitate to say that Islanders have a right, but they should have a chance to own a home in their Island home, and I do not want to see that already slim chance become no chance.

1190 Sir, it is the economic and immigration policies adopted by the States over the years that have, to some extent, created this situation for our young people. Let us not take away the one measure that was designed to aid them and in some small way, redress the balance.

I ask Members to support this amendment and to bear in mind that it is actually the Proposition that is the amendment, so I am asking that we retain the *status quo* and I believe, for very good reason, the reasons that I have given.

1195 Thank you, sir.

Amendment:

To delete Proposition 34 and substitute therefor:

1200 “34. To agree that the new population management regime shall include conditions on where the holders of Long-Term and Medium-Term Permits may live, such as those which are in force at the present time in respect of Housing Licences and as explained in extenso in Appendix G to that Report, in order to ensure that as far as possible there is sufficient housing to meet the needs of qualified and established residents.”

1205 **The Deputy Bailiff:** Deputy Jones, do you formally second the amendment?

Deputy David Jones: I do, sir, and I reserve my right to speak.

The Deputy Bailiff: Thank you very much.

1210 *Not carried – Pour 12, Contre 33, Abstained 0, Not Present 2*

POUR	CONTRE	ABSTAINED	NOT PRESENT
Deputy O'Hara	Deputy Soulsby	None	Deputy Le Pelley
Deputy Brehaut	Deputy Sillars		Deputy Collins
Deputy David Jones	Deputy Luxon		
Deputy Laurie Queripel	Deputy Quin		
Deputy Lowe	Deputy Hadley		
Deputy Green	Alderney Rep. Jean		
Deputy Paint	Alderney Rep. Arditti		
Deputy Adam	Deputy Harwood		
Deputy Perrot	Deputy Kuttelwascher		
Deputy Wilkie	Deputy Domaile		
Deputy De Lisle	Deputy Langlois		
Deputy Inglis	Deputy Robert Jones		
	Deputy Le Clerc		
	Deputy Gollop		
	Deputy Sherbourne		
	Deputy Conder		
	Deputy Storey		
	Deputy Bebb		
	Deputy Lester Queripel		
	Deputy St Pier		
	Deputy Stewart		
	Deputy Gillson		
	Deputy Ogier		
	Deputy Trott		
	Deputy Fallaize		
	Deputy Le Lièvre		
	Deputy Spruce		
	Deputy Duquemin		
	Deputy Dorey		
	Deputy Le Tocq		
	Deputy James		
	Deputy Brouard		
	Deputy Burford		

1215 **The Deputy Bailiff:** Before we go into debate, let me just declare the results on the amendment moved by Deputy Perrot and seconded by Deputy Green. There voted in favour 12, they have voted against 33, and I declare the amendment lost and return the voting slip.

1220 Members, I do not wish at all to curtail any debate on any of these amendments. As other Members said yesterday, these are important matters that do need to be debated properly, but if there is going to be any irrelevance or tedious repetition of other people's arguments or their own arguments, I will start invoking Rule 11(4) in due course. Just a fair warning to all of you, in advance.

Who wishes to speak on this amendment? Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

1225 I think that, without wanting to be tediously repetitive of a previous debate, one has to bear in
mind background here and I referred to some statistics earlier. Guernsey is one of the most densely
populated places in the world and clearly has a housing shortage. We are some way short of our
housing target every year. As I said earlier, the average price of Local Market property has gone
up considerably above the rate of inflation, at least over the last 30 years, and the best remedy for
1230 that is, as Deputy Storey said, to deal with supply and demand. Clearly, if the demand for housing
fell, the price of housing would fall and if there was more supply to the market, then the price of
housing would also fall. But we are not there at the moment.

We are, as I say, some way short of our housing target. We are not building a sufficient
number of homes for the size of the resident population and that is a problem which, at a policy
level, the States has for many, many years failed to address and is going to have to address, if it
1235 really wants to do anything about the affordability of housing.

Because on a policy level, we are some way behind the circumstances of the market, I think we
have to take what tools we can to try to intervene. What Deputy Queripel is proposing is to
maintain the *status quo* and it seems to me, in the absence of a properly integrated housing and
land planning policy, which tries to deal with the kind of problem I have just outlined, that
1240 removing the TRP restriction which currently pertains to Licence holders really is going a step too
far. It seems to me that the sensible choice that is before the States today, is to vote either for
Deputy Queripel's amendment B or for his amendment C, which he will lay, if B fails.

Amendment B is the one that we are debating now, which is that the new Population
Management Regime shall include conditions on where the holders of Long-Term and Medium
Term Permits may live. That is the TRP restriction which currently applies so just transferring that
1245 to the new regime.

Amendment C is to ensure that there will be provision in the new law to place conditions on
where the holders of Long-Term and Medium-Term Permits may live, which could be activated by
the States at a future date. But it seems to me that not to have any reference at all in the law to
TRP restrictions, when at the moment that is about the only mechanism that we have, I think to
1250 remove all those restrictions is going many steps too far, because there is a potential problem of
people coming into the Island as the holders of Employment Permits, but perhaps not wanting to
put down long lasting and deep roots in the Island. They may be on five-year licences, and it
seems to me they may very well be attracted to buy at the lower end of the market.

1255 Therefore, this is a mechanism that was developed at some point, it is still in place today and
which could potentially have a role in the future by the using of TRP restrictions to try to ensure
that the price of housing is not taken even further away than it is today, from the affordability of
the locals, particularly at the lower end or first-time buyer end of the market.

1260 So, I am not particularly fussed whether amendment B or amendment C gets through. I think
the important thing is that the States need not to abandon the potential of using this TRP restriction
in the future and, given the circumstances of our housing market as we know that they are, I think
to abandon that restriction is completely unnecessary and unreasonable.

Thank you, sir.

1265 **The Deputy Bailiff:** Deputy Robert Jones, Deputy Hadley. So Deputy Robert Jones first,
followed by Deputy Hadley.

Deputy Robert Jones: The only reason, Sir, that I was probably going to object to or not vote
1270 in favour of amendments B or C was that I felt the Report already provided provisions for what
Deputy Queripel was trying to achieve.

Proposition 34 does actually say that there will be no general restriction, but then it does say
'except where they may be identified and proven parts that need protecting.' So I just felt it was a
little bit superfluous.

1275 But in drawing our attention to appendix G, I think what Deputy Queripel was highlighting is
that there are flaws with the restrictions in relation to TRP and without going into them into any
detail, I think that particular appendix only actually highlights three benefits, yet highlights eight
disadvantages to that system.

1280 So I think the Report provides for what Deputy Queripel is trying to achieve, so I will probably
oppose both of them. At a stretch, amendment C I could probably live with, but otherwise I think
the Report is sufficient as it stands.

The Deputy Bailiff: Deputy Hadley.

1285 **Deputy Hadley:** If this is passed, it will make it even more difficult to obtain essential people to the Island, like teachers. I think what is forgotten sometimes is what we consider lower end of our housing market here, in parts of England can be the upper end of their housing market and if you are selling a house in the north of England, a really substantial house there will buy you a very small property indeed on Guernsey. Having had experience of that, I can emphasise that is very much the case.

1290 It is also the case that once you are on the Island and want to move house, these restrictions can be very difficult. Certainly, were my wife and I to have come here as Licence holders – which we did not – we would not have been able to buy one of the properties we moved to on the Island. I think to say it again, it is discriminatory to people who have considerable roots and been here for several years.

1295 So, if we really want people to come to the Island, to fulfil essential jobs in the Health Service or in the teaching profession, then this is not an amendment that should be considered.

The Deputy Bailiff: Deputy Luxon.

1300 **Deputy Luxon:** Thank you, Mr Deputy Bailiff.

Sir, licences, or permits as they will be in this new regime, are and will be issued sparingly and we should remember that. If there is a problem – and we have all agreed that in fact, there is sentimental desire to want to protect the rights of local first-time buyers and for locals generally – but if the problem does exist and, contrary to Deputy Fallaize, there is no factual evidence, there is no real evidence that has been provided, it is slightly odd and in a way perverse that a Housing Minister, who has so much knowledge about housing within this Island and has been in the Housing Department for so long, is supporting both this and the Queripel amendment C, when all of the body of evidence of everybody that has been working closely through the Population Policy Group, but also the officers within the Housing Department – all of that evidence, all of their experience and indeed the general feeling of opinion – is that the Housing Control regime we have now does not work, has been damaging and has been part of the problems.

1310 We really do need to move away from the past, the current and move into this new regime without taking anchors that will drag us back to some of the problems that we have had.

1315 The current system and these amendments would simply create and continue the problems that have happened in the past. They would interfere in the market and would actually work against locals who would be impacted. If they did get onto the market for the first time, they would have nowhere to go if we put the barrier somewhere else, in terms of the TRP levels.

1320 So, sir, the scale of this problem is small – there is no evidence that it is actually a problem other than a potential problem and the Report and the Propositions actually give sufficient coverage and comfort to Members.

I do hope Members will reject both this amendment and C, should it be laid.

Thank you, sir.

1325 **The Deputy Bailiff:** Deputy David Jones, followed by Deputy Storey.

Deputy David Jones: Thank you, Mr Deputy Bailiff, Members of States.

1330 One of the accusations that has been made against this document is that the document is all about people who are coming to live here, or wish to come and live here. There is nothing in this document at all for the local indigenous population and I think, in many ways, that is probably true because it is bound to be a document, when you are dealing with permits, about people who are coming.

1335 But the one solid piece of legislation that we do have actually protects a certain amount of Local Market housing for local people and that is the bit I think that we should keep. I do not believe that we should scrap all housing restrictions for Medium and Long-Term Permit holders, and it only applies to those people in those categories, as those on the lower permits are not permitted that freedom anyway.

1340 So in my view, it is an ill-thought-out principle, which is why, as Housing Minister, I have chosen to support this amendment. I believe it will have a devastating effect on local people looking for homes, as they will find themselves competing for affordable housing with those coming in under permit.

Now, I know they do at the moment and I accept that we have restrictions, but we can at least, under our present rules, prevent them from taking accommodation at the lower end of the housing market. But under these new proposals, there will basically be a free-for-all, with many of the

1345 people brought in under permit receiving mortgage and rent allowances for attractive employment packages that local people simply will not be able to compete with.

They will all, if this proposal is adopted, be chasing homes at the affordable end of the market, Permit holders and locals alike, with those with the biggest employment packages winning hands down. In my view, we have to protect our own indigenous population by keeping housing restrictions to certain rateable values for those under permit.

1350 Now, when I raised this particular issue and you have just heard the argument again from Deputy Luxon, I was told there was simply no evidence that this was going on. This simply is not true. I will just give you one example.

1355 We know, for instance, that people living long term in HSSD accommodation have all the benefits of subsidised rents, they have all the other enhancements of their loyalty bonuses, together with everything that goes with their employment package. After occupying that accommodation for a prescribed number of years, they are then granted local status and can move into the Local Market and buy a property in their own right, having had the added benefit of the taxpayer subsidising their living expenses for several years. This in turn has allowed them to save for a Local Market property, something I would suggest that many local people have been unable to do, because they, of course, are forced to pay full market rents because they do not have the benefit of any of these packages of the people that we have brought in.

1360 It is also true in teaching and other civil servant posts, again in the finance sector, where employment packages often include a generous rent or mortgages allowance that local people simply do not have access to.

1365 I am also told, as a counter argument to this, that the local people have the advantage, of course, of being able to access social housing, so further restrictions are unnecessary. Well, of course that is only true if you qualify, if you either have dependants or you are of pensionable age, and not everybody has that option open to them – even if there was enough social housing to go around which we, incidentally, we know that there is not.

1370 Housing is in very short supply and as Deputy Brouard pointed out this morning, we are still a part of this journey and we are still not addressing the huge numbers of homes that we need on this Island.

1375 I also say that that is a pretty weak argument for scrapping all housing restrictions. There is precious little, as I said already, in these proposals for local people and at the very least we can give them a fighting chance of getting affordable homes at the bottom end of the market. We have lost, in my view, too many local families forced to move away from Guernsey because of unaffordable housing in the first place, and I do not want to make that matter any worse than it is now.

1380 So, in my view, we must keep these housing restrictions in order not to push our local people into a situation where even the meagre restrictions that we have at present to protect their position are discarded by this document. I urge you to support this amendment and not allow those with the financial plough to push out of the housing market those who do not.

Thank you.

1385 **The Deputy Bailiff:** Deputy Luxon, you are rising to your feet.

Deputy Luxon: Excuse me, sir, yes. It is a point of correction.

1390 When I made my comment and I said that there is no factual evidence that any of us have been able to identify, Deputy Jones has just given one example of the one area of evidence when, in actual fact, the HSSD staff that he refers to, that is a matter of them being paid the market rate for the job that we invite them to come into the Island to do. It did not deal with the issue of evidence that the Housing Control issue would cause problems for Local Market people. I just offer that correction, sir.

1395 **The Deputy Bailiff:** Deputy Storey, to be followed by Deputy Ogier.

Deputy Storey: Thank you, sir.

1400 In my previous speech on the previous amendment, I pointed out that the reason for the problem in people finding adequate housing, especially for first-time buyers, was the lack of housing but to address that is a long-term problem. I believe that the Policy Council already accepts that there is a potential problem in this area, from the wording in recommendation 34, which says:

‘To agree that there should be no general restriction on where the holders of Long Term and Medium Term

1405 Employment Permits may live, other than where there is an identified and proven need to protect specific parts of the housing market.’

Now, I agree with that sentiment entirely. In fact, I will go to say that they are putting the cart before the horse here. The point is that if we are going into a new regime we should make sure we have the protection in place beforehand. It would be relatively easy to remove it later if it was found to be unnecessary, but to go in with no protection and then to try to introduce some degree of protection at a later date is going to be a much more difficult job, both practically and politically.

1415 So, on balance, sir, I feel that it would be absolutely daft for this Assembly to approve a new regime without any possible protection for the local population at its inception. As I say, if at a later date it is found that that sort of restriction is not necessary because other circumstances have changed, or we have managed to build more houses to fill the gap, then of course it would be surplus to requirements and it could easily be revoked.

1420 So, personally, I am in favour of supporting this amendment B, because I think it does afford some essential protection to the local population, at the inception of this new regime. And as I say, if at a later date it is proved to be unnecessary, it would be quite easy to remove it.

So I shall support this amendment, sir.

1425 **The Deputy Bailiff:** Deputy Ogier.

Deputy Ogier: Thank you, sir.

1430 Now we have been hearing some fine ideas yesterday and today, things like ‘This is a capitalist society, people should be able improve their homes without restriction’, ‘I have come here and improved my home – why shouldn’t anybody else be able to do the same?’, ‘We have to be fair and equitable to everyone, whether from on or off the Island.’ This is fine, if you have wide expanses of undeveloped land begging for cheap new homes to be built – but we do not. And this is fine if we have everyone living here in adequate housing with good prospects for their children – but we do not. This is fine if everyone needs the same amount of help – but they do not. That is the problem with equitable treatment.

1435 I recall the small cartoon of a mother and her two children trying to see over the wall at the Vale Rec to watch the football and they have all been treated equitably by being given the same sized box which enables the mother to look over the wall, the teenager to just peer over the wall and the small child to look at a different part of the wall.

1440 One size does not fit all and treating people equitably is not necessarily treating people fairly. I believe the people currently living in our society on this Island need and deserve some protection and it is not a sentimental desire, as Deputy Luxon describes it. He warns us of the Housing Department’s problems in administering it, but then, in contrast, I hear the Housing Minister urging us to pass this amendment.

1445 Now, we are an Island and our resources are finite, we all know that, but our rights to protect ourselves are laid down in international protocols, which recognise the pressures on population in Island life for Island inhabitants. Retaining some form of protection for people already living on this Island is internationally acceptable, internationally accepted and expected, and morally fair to the residents of this Island. It is a brave new world under the new Population Management Regime and I welcome many of the new policies, but let us not throw off every shred of covering we have of the existing population of the Island at this stage.

1450 I will be supporting the amendment.

1455 **The Deputy Bailiff:** Deputy Trott, to be followed by Deputy Gollop, to be followed by Deputy Brehaut, to be followed by Deputy James.

Deputy Trott: Sir, I shall not be supporting the amendment and I thank the Housing Department for giving me all the reasons why I should not. *(Laughter)*

1460 On pages 818 and 819 of the Billet, under appendix G we are given three reasons in favour of maintaining TRP as a method and on pages 819, we are given at least eight reasons why we should not.

Now, sir, the two reasons that I think are most salient – and I did not realise this was happening, if I had I probably would have made an approach to my friends on the Housing Department in advance – refer, on page 819 to paragraph (c):

1465 ‘The TRP calculation is solely based on the Licence holder’s employment income. It does not include any other assets, income or expenditure the individual and their household might have...’

1470 So you may have someone on a particularly high salary with an enormous list of overheads – further education for their children, for instance – which would severely impact on their ability to obtain the necessary mortgage, but that is not taken into account – or at least it is not taken into account initially. If one reads on, one can see that it *can* be taken into account later on as part of a somewhat bureaucratic process.

1475 I think a little further down, paragraph (e) is arguably even more relevant to the argument against the amendment in the sense that it says:

‘When an individual is looking to purchase a property, the TRP band does not take into account their borrowing capacity...’

1480 For me, that is a deal breaker. We say to someone, ‘You have got to live in a property of this TRP’, without knowing whether or not they have any ability to obtain, or even fund, a mortgage. It is clearly an example of a blunt instrument that does not have a purpose under this new population regime. It may, notwithstanding the bluntness of the instrument, have been of use in the past, but it clearly is not of use today and indeed, it is the Housing Department themselves that make all the arguments against it.

1485

The Deputy Bailiff: Deputy Gollop.

Deputy Gollop: Yes, sir.

1490 I was a member of the Housing Board in not the last States, but the States before last, with Deputy Jones and Deputy Domaille and Deputy Brehaut and others. I recall that towards the end of that period, we suspended the rigorous implementation of this particular policy, because... and I am prepared to vote for amendment C, which has not been placed yet, because it might be a tool in the toolbox of which you could produce evidence for its applicability; but I do not wish to continue to see a transfer of the old regime into the new, particularly as the situation we are referring to is in many cases low earners.

1495

We are importing people to do essential occupations, precisely because there is an insufficient supply of local people and in that context, making ourselves as attractive as an employer and a recruiter as possible, for people, in many cases, who actively help in the service delivery for people with impairments or disabilities, I cannot support restrictions which will only cause a degree of hardship.

1500

If we have a supply-of-housing problem, as Deputy Ogier has intimated, we do need to find solutions to that and one solution would be to look sooner rather than later at what Le Fontaine and Belgrave Vinery might have to offer.

1505

The Deputy Bailiff: Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

1510 I think it was mentioned that I favoured a liberalisation of those who are eligible for housing. I think, to be clear, I have called in the past for the eligibility criteria on social housing to be more liberal than it is now.

1515

On balance, we are quite a generous bunch of people. We are quite a tolerant bunch of politicians. I cannot think of another parliament whereby a Housing Minister could second an amendment to protect a diminishing housing stock. What has the Housing Department been doing? What have they been doing? This represents a failed housing policy. It represents we have not built enough homes – demand and supply. I am demanding that we supply some. What is so unreasonable about that?

We have this rather bizarre spectacle of a Housing Minister having to second an amendment that underscores a fairly spectacular failure in policy. I think we need to reflect on that.

1520

I thank this Assembly, other than my remarks perhaps which may have been close to the knuckle for Deputy Jones, for being so tolerant – tolerance that is not generally displayed towards HSSD and even in a debate such as this, it is the HSSD staff who are at the nub of the housing issue – absolutely fantastic.

I will support this amendment, sir.

1525

The Deputy Bailiff: Deputy James.

Deputy James: Thank you, sir.

1530 I guess, sir, that I will probably be in a minority in not supporting this amendment. In fact, proposal 34 was one proposal that I was delighted to see introduced into this new document and the reason for that is that I believe that people should be able to live in the accommodation that they can afford.

We have heard Deputy Trott already make reference to the paragraph on page 818, in which it clearly says:

1535 ‘The link between TRP and salary is important as not all Licence holders are on high incomes. For example nurses, social workers and teachers will be on relatively modest salaries.’

1540 There sometimes seems to be the myth perpetuated over the last two days of debate that Licence holders are, in fact, high earners. This could not be further from the truth, particularly in view of... you have heard the comments from Deputy Robert Sillars this morning, where he highlighted the difficulty in recruiting teachers; you can hear from Members of the HSSD Board that we are having *great* difficulty in recruiting nurses.

1545 The HR department at HSSD have been working extremely hard in the area of recruitment of nurses to get the wards re-opened and yes, they are having a degree of success in attracting applicants, but the amount of applicants that then withdraw their interest in jobs, when they see the cost of properties that they will be forced to rent in Guernsey...

I would suggest that we are at risk. I do not wish to be a scaremonger, but I think that this Island is at risk of seeing some of its essential services caving in because of our inability to recruit the appropriate, experienced staff for both Education and Health.

1550 The one caveat that I would add in not supporting this is that if TRP restrictions are removed from Licence or Permit holders, the rather generous relocation package and rent allowance that Deputy Jones referred to *has* to be addressed because that is one thing that I would not like to see remain in force, that Civil Service Licence holders will still be able to access very generous rent allowances. That, in fact, would wholly disadvantage local people.

1555 So I would ask you to give consideration to some of the essential services that Guernsey is dependent on and we need to do whatever we can to encourage people to come to this Island and take up some of the lower jobs in our public services.

Thank you.

1560 **The Deputy Bailiff:** Deputy Gillson.

Deputy Gillson: Sir, at the risk of repetition, this is another well-meaning but flawed amendment. To appreciate how it is flawed, I think we need to consider how the housing market works.

1565 In the short or medium term, we have a fixed number of houses on the Island, so the market itself is of a fixed size. Any pressure which we put on any part of the market will feed through, in effect, to other parts of the market and if you think of a balloon, if you squeeze it at one part, the pressure moves to another part.

1570 Now, the mere fact of giving a permit to a person means that that person will have to occupy a property somewhere in the Island and that fact, that mere fact, will put pressure on the market. Restricting where they can live and the type or size of house they can occupy does not remove that pressure; it merely restricts the initial pinch point of the pressure.

1575 Now, the price of first-time buyer accommodation is dependent upon both the demand for the houses and supply of the houses and the supply is not only dependent upon us building new houses, but it is on the availability of the houses because existing occupiers of first-time homes move up into what could be termed second-time buyer homes.

1580 So, if we insist that a Permit holder has to come in at the second stage of the market, they are still occupying a house there, they are still creating a pressure on the market, but they are actually creating a pinch point there, a block on first-time buyers being able to move up which itself creates the pressure on first time buyers. Again, think of a balloon, you squeeze it in the middle and the pressure goes down as well as up.

1585 So I think this is a well-meaning amendment, but I think when you look at it in the context of how our housing market will work, in the way of like a balloon, in anything other than the very short term, it will not actually do any good. Pressure will be put on first-time buyer homes wherever we put people into the market, so I think it is something which I do not think has worked in the past and I do not think it will work.

Thank you.

1590 **The Deputy Bailiff:** Deputy Stewart, to be followed by Deputy Dorey.

Deputy Stewart: Thank you, Deputy Bailiff.

I will be brief, I am here to say that I agree wholeheartedly with what Deputy Trott has said and I do urge Members to look at all the reasons, on page 819 of the Billet, but also if we flick over and read page 820, where it talks about the work that Housing has to do.

1595 Part of bringing in the permit system was that a permit could be in position so that, whether it is Education or HSSD, now they have got a permit, they then find the staff member, so that the staff member can make that transition quite straightforwardly, as much as you can when moving house, from wherever they are coming from, to Guernsey. But then, if they have got to run around, start to get permissions and sort out through this TRP... Page 820 lays out all the reasons of the workload and the pressures that this puts on the Housing Department.

1600 I would like to back up what Deputy James said in terms of key workers. Most of the Housing Licences are not with finance. Only one in 13 Housing Licences are with the finance sector, one in 10 employees in other sectors, so not in finance, are held, so actually, rich people that come over here and work in the finance sector take up far less proportion of Housing Licences than the rest of the other economic sectors put together.

1605

Thank you.

The Deputy Bailiff: Deputy Dorey to be followed by Deputy Le Lièvre.

1610

Deputy Dorey: Thank you, Mr Deputy Bailiff.

I was on the Housing Authority for two years and the Housing Department for four years, when Deputy Gollop was on, and I think he mentioned that it was suspended for a year. I do not recall that. I do remember that when we changed from tax on rateable value, that we had an opportunity to suspend it at that point. I was in favour of it and we did not do it.

1615

The reason why I was in favour of suspending it was because I think initially I was an enthusiastic supporter of this, but where I lost confidence in it was when we had a single parent with two teenage children and trying to fit that person into a property which was within the system, which they had the buying power to purchase, when you compare that to... you can have a couple with two incomes, they could be a Licence holder, they could be on the same income as a single parent but they had far more money available to them, and I just did not think the system worked.

1620

I do think that it is worth us now putting it aside and just seeing what happens because the States Economist actually gave a presentation to the Population Policy Group and his analysis of the situation was, in fact, the system actually causes prices to increase. Obviously, it puts pressures on various parts of the housing market. That was his analysis, it was quite a complex analysis of it but he said that, in fact, instead of trying to reduce house prices, the system encourages house prices to increase, because it puts pressures on certain parts of the housing market.

1625

So I would ask you to reject this amendment.

Thank you.

1630

The Deputy Bailiff: Deputy Le Lièvre.

Deputy Le Lièvre: I appreciate, sir, that we are actually discussing Queripel amendment B and I do not think I can find myself voting for that; but I will, in fact, support the amendment C, which is only a tad away from the actual paragraph of recommendation 34 on page 831.

1635

The reason I have got to my feet is that I am actually... the sympathy I am having for arguments that are put forward in relation to the poor downtrodden Guernseymen. I say this obviously with great care, but Guernseymen, it is as though they are helpless people.

1640

Guernsey people are not helpless! (**A Member:** Hear, hear.) They are resourceful, they are hardworking, they will find a way. It is the way of Guernseymen. So *please* let us have less of 'We must create systems to protect this poor downtrodden species.' (*Laughter*) I look around this Assembly and I do not see many examples.

1645

As I said, we are a resourceful group of people. In the past, we went out and robbed ships from other countries and I am not suggesting we do that nowadays – although we have got Court Row – but we really must shy away from these arguments which portray us as a helpless bunch.

So, if you do not mind, less of the worm and more of the donkey.

Thank you.

The Deputy Bailiff: Deputy Sherbourne.

1650

Deputy Sherbourne: Thank you, sir.

I will be brief, also. I agree with Deputy Le Lièvre's past comments, but I have personal experience of trying to manage institutions over here, where the most common reason for an inability to appoint was created by just this system.

1655

I would very much like to support Deputy Queripel, but on this occasion, option B, I cannot do so because the most common factor given by teachers withdrawing from their offered post – that is after interview, when they have come here, they have cost the taxpayer a fundamental amount of money – is the cost of housing. They are aware of it beforehand, but until they actually know what their salary is likely to enable them to buy, they find that it is extremely restrictive and there is nothing worse as a manager than thinking that you have got just the right person for the job, to find out 24 hours later that they withdraw because they just cannot afford to buy within the rateable value that has been determined suitable for them.

1660

So, I will vote against option B, but happily do vote for option C, because if there is a need in the future, then maybe I will change my position.

1665

Thank you.

The Deputy Bailiff: I do not see anyone else rising, so Chief Minister to reply to the debate on this amendment, on behalf of the Policy Council.

1670

Deputy Harwood: Thank you, sir.

It is disappointing but not surprising that my colleague Deputy Jones could have put his name to an amendment to retain an element of housing controls. Disappointing, I would say, because as the Housing Minister, he should know more than anyone that the current system does not achieve what it sets out to do; but unsurprising, because in the face of all the evidence to the contrary, Deputy Jones has been consistent in his opposition for the removal of this aspect of our existing housing controls.

1675

Appendix G to which the amendment refers provides a three-page explanation of all the reasons why the existing housing controls do not work and are extremely difficult and time-consuming to administer.

1680

Paragraphs 15 and 17 of the Report state that of the alternatives examined in the Policy Council's consultation document, none improved upon the current system occupied by housing; rather they recreated or made worse the problems of the existing procedures.

1685

Yes, sir, on the face of that overwhelming evidence and body of opinion, there remains a core of States Members who want to hold onto the existing system, in the mistaken belief that they are protecting the rights of locals and enabling them to get a foot on the housing ladder. I would argue that they are actually making it harder for them to obtain property, not easier.

Housing markets follow the rules of supply and demand. Guernsey does not provide enough new housing to meet demand, so accordingly prices and rents are high.

1690

So what does Government do to ease the situation? As Deputy Gillson has already identified, under the current licensing system it increases the competition for the limited number of available properties by restricting the parts of the market where incomers can purchase or rent, based on an inadequate measure of their ability to pay, which has the very opposite effect intended. As Deputy Gillson had graphically described, by pinching the balloon, this has the effect of increasing prices.

1695

This, in turn, has a knock-on effect. It leads to people being unable to trade up and hence leads to betterment of existing properties, that then has the impact that we have already identified in the debate initiated by Deputy Perrot on his amendment.

More than that, because there are insufficient properties at certain parts of the market, just because people are on a good salary, a single man or a woman can be forced to purchase or rent a family home that they will rattle around in, thereby depriving a local family from the opportunity to occupy it. Is that good government? Is that helping the Guernseymen?

1700

The bottom line is that housing issues should be sorted out through housing policy, not through a population management system. If we need to increase the supply of houses – and I believe we do – we should do that by releasing more land through the planning system. We need to assist people to get a foot on the housing ladder; we should then consider adopting fiscal policy that may give them that persistence for the cost of finding a deposit, or by reducing conveyance costs.

1705

If we need to provide more social housing, we should support the Housing Department's development programme through the Guernsey Housing Association.

If we want to assist people with the cost of private rental, then we should ensure that the benefit system provides sufficient monies to meet those housing costs. That is what the Corporate Housing Programme is about and those are the appropriate policy measures to take.

1710 Instead, there is a temptation to duck those difficult policy decisions and think that, by restricting where incomers live, we will somehow make the Island's housing problems go away.

Strange then, that housing controls have been in place for the past 65 years and in spite of that, the Housing Minister keeps telling us the housing problems still persist. Strange then, also, the Housing Minister keeps telling us the housing control system is broken and must be replaced, but yet he wants to maintain one of its key, and I suggest broken-down, features.

1715 In bringing forward these proposals, there has been a conscious attempt to acknowledge that restricting who can live and work here based on housing availability is blatantly outdated nonsense. Rather, let us decide why people should be allowed to come and live here and for how long, but having made that decision that they are needed, and then take steps to ensure that they can be housed.

1720 Instead, the supporters of this amendment want to say, 'Come to live in Guernsey because we need your skills', but in the same breath saying, 'But now we have said you can come, we will dictate where you can live by delving into your finances and personal circumstances, in case you might choose to rent or purchase below your means and thereby deprive a local of a place to live.' That I suggest, sir, is giving a mixed message.

1725 If Guernsey needs someone for the skills they bring, then we have a responsibility to ensure that they have a roof over their head and a roof that they can choose and a roof that they can comfortably afford – not one that the Government dictates that they must occupy for some misguided political reason.

1730 Sir, housing control is a thing of the past. The future is about population management and there should be clear water between the two.

Sir, I therefore urge the Assembly to reject this amendment and to avoid immediately polluting the new system with messages of the past. (*Applause*)

1735 **Several Members:** Hear, hear.

The Deputy Bailiff: I invite Deputy Laurie Queripel to reply to the debate on the amendment that he has moved, seconded by Deputy Jones.

1740 **Deputy Laurie Queripel:** Thank you, sir.

I thank Members for their contribution and their comments. I am going to address this in a slightly roundabout fashion, sir.

1745 Firstly, addressing the points that Deputy Gollop and Deputy James have made. They point out that some essential workers with Employment Permits are not high earners, but these people, sir, would have lower TRP ratings. That is the point. They would actually not be affected and not be damaged by this existing measure remaining in place.

1750 What having TRP restrictions in place does do, sir, in regard to Employment Permit holders, it affects those who are *not* low earners. It prevents them from buying into the lower end of the market and that is exactly... if there are no restrictions at all, that is exactly where this pressure on people who are in the lower TRP bracket will come from, because I believe that people from that higher bracket will attempt to access properties in that area of the market.

1755 Deputy Trott, sir, he is asking Members to vote against the amendment on the basis of certain provisions which are contained in the present TRP regime. But I said in my opening speech that it did not have to necessarily be that particular measure. The amendment does not prescribe that. It speaks about a measure that could be put in place that is that, or something similar to that, but something that has the same effect or does the same thing.

So, I thank Deputy Fallaize for his contribution and for the very clear points that he made.

1760 Many Members have spoken this morning about the supply and demand situation and that is the problem we are facing. There is a large demand and a small supply of affordable property and that will not be addressed very quickly. Even if we try to address it, it will not be addressed very quickly and in the meantime, we need some safeguard in place that ensures that people of limited means, who want to get on the property market, can do so. It is by a measure like this, or something similar to this, that we can do that.

1765 Deputy Robert Jones, sir, as far as I am concerned the case *is* proved. I speak to so many young Islanders who would *love* to access the property market, would love to own a home in their own Island. They simply cannot. Once again, supply is greatly exceeded by the demand. I think that will only be exacerbated, if we take this very liberal approach that has been suggested in the Proposition 34.

1770 We have a measure in place and if we do not have this measure in place, we will have to put something in place at a later date when, perhaps, the damage has already been done – so that fits in

with my amendment C, I appreciate that – but why change something which in a... It is not perfect, nothing is perfect. When demand exceeds supply, nothing is perfect. Any measure you put in will be clunky and imperfect, but we have a measure in place. It probably *is* working to a certain extent. There are probably people of limited means of income that are accessing the property market at the moment who could not if it was not in place.

1775

Deputy Hadley, once again, it is a common theme. He spoke of the very short, the *chronic* shortage of, or supply of property and the great demand for it and the great demand for housing. That is indicative, sir, of a population who aspire or want to improve the quality of their lives and want to own their property, want to feel part of the community and part of their Island home, sir.

1780

That is why... It seems to me, sir, that some Members are almost saying that we should remove all restrictions, that we should have a regime which is basically a free-for-all. That is not reflecting reality, sir.

1785

We live on an Island that has limited resources, where its infrastructure and its services are already under strain and that includes the market where affordable property resides. It is already under strain. We have something in place that alleviates that strain to a certain extent, and allows people, who otherwise could not afford to enter the property market, to enter the property market.

1790

Deputy Luxon, sir, does not feel there is a problem or any evidence of a problem; but I do not think he speaks to the same people that I speak to. I speak to *so* many frustrated young Islanders who are desperately trying to access the property market, they are doing all they can to get the sufficient funds together but it still does not happen. Once again, I would say if this measure was taken away, that would be further exacerbated.

1795

Deputy Jones spoke in support of the amendment, sir, and I thank him for seconding it. I agree with the thrust of what he was saying. If the situation is bad now, how much *worse* would it be if this measure was not in place, if we took this liberal approach? There is no evidence to suggest that this liberal approach will not damage the already damaged situation that we are looking at. It could make it a lot worse.

1800

I thank Deputy Storey for his support, sir, and his contribution. Once again, he is saying that what is in place is not perfect, sir, but it obviously is working to some measure. I am just repeating myself really, sir, but this is the point that I am making. There is *no* perfect measure. There is no perfect measure there is obviously a problem. That problem is somewhat addressed by having this kind of measure in place. If it is removed the problem will just get worse and worse and worse.

1805

Sir, as far as I am concerned, this is a situation that is very closely related to the social policy aims of the States Strategic Plan. We want Islanders to be part of an inclusive society, where they feel at home, secure, valued and play a full part and an active part in that society.

I do not want to envisage a time when they are, perhaps, excluded completely or very nearly completely from accessing property in their own Island and, actually, begin to feel like outsiders or onlookers. That would be tragic and I think it could be rightly said that if that happens, we will have failed them.

1810

Sir, there is increasing pressure on parents of young Islanders who are trying to access properties, to help their offspring to achieve that aim. I can only see that pressure increasing, if this liberal Proposition goes through. I can only see parents having to bear more of a burden to try and help their children onto the property market and that, I would suggest, sir, would be a backwards step. It would be regressive.

1815

So I think, sir, this is a quite meek, a quite moderate amendment and as I pointed out when I opened debate on this amendment, sir, this is a measure that is already in place. It is the Proposition that is actually amend the current law and it is trying to amend it and despite all the things that the Report says, sir, it is... What the Report is saying to support this Proposition is all speculative. There is no real evidence to suggest that what that Report is saying is true, or will come to pass.

1820

I am saying that we should take a better safe than sorry approach. This measure is in place, it works to a certain extent. I think without it things would get far more difficult and many more Islanders would be precluded from accessing the local property market.

Thank you, sir. I ask Members to support this amendment – and a recorded vote, please, sir.

1825

The Deputy Bailiff: We move to a recorded vote on the amendment proposed by Deputy Laurie Queripel, seconded by Deputy David Jones. This is the amendment marked B.

There was a recorded vote.

1830

The Deputy Bailiff: Members of the States, although we will wait for the voting slip before formally declaring the result of that, my reckoning is that that was lost.

1835 Rather than lose the time now, bearing in mind where we are to, I have asked Deputy Laurie Queripel if he is minded to move his amendment marked C, to move that amendment, bearing in mind that a lot of the points that have already been made in debate have probably already been made in debate.

So, I invite Deputy Laurie Queripel to speak.

Deputy Laurie Queripel: Thank you, sir.

1840 Yes, you are correct. I think I have made my arguments.

What I am asking now for, sir, is very much a plan B. It is to put a tool in the box that can be accessed, if a problem in this area is evidenced. If by agreement to this Proposition, sometime in the future or the near future, it is clearly shown that it is impinging on local young people's access to the lower end of the property market, then that tool can be taken out of the box and used.

1845 It is very much a sleeping policeman that we can bring to life and wake up, sir, if it needs to be activated, if a problem is clearly identified and evidenced.

So, sir, I thank Members... I ask Members to support this very, very mild amendment. It is purely a precautionary measure.

Thank you, sir.

1850

Amendment:

To delete Proposition 34 and substitute therefor:

"34. To agree that there will be provision in the new Law to place conditions on where the holders of Long Term and Medium Term Permits may live, which could be activated by the States in the future if there is an identified and proven need to do so."

1855

The Deputy Bailiff: Thank you, Deputy Queripel.

Deputy James, do you formally second?

1860

Deputy James: I do, sir, thank you.

Not carried – Pour 10, Contre 35, Abstained 0, Not Present 2

POUR

Deputy Brehaut
Deputy Storey
Deputy Lester Queripel
Deputy Ogier
Deputy David Jones
Deputy Laurie Queripel
Deputy Lowe
Deputy Paint
Deputy De Lisle
Deputy Burford

CONTRE

Deputy Soulsby
Deputy Sillars
Deputy Luxon
Deputy O'Hara
Deputy Quin
Deputy Hadley
Alderney Rep. Jean
Alderney Rep. Arditti
Deputy Harwood
Deputy Kuttelwascher
Deputy Domaille
Deputy Langlois
Deputy Robert Jones
Deputy Le Clerc
Deputy Gollop
Deputy Sherbourne
Deputy Conder
Deputy Bebb
Deputy St Pier
Deputy Stewart
Deputy Gillson
Deputy Trott
Deputy Fallaize
Deputy Le Lièvre
Deputy Spruce
Deputy Duquemin
Deputy Green
Deputy Dorey
Deputy Le Tocq
Deputy James
Deputy Adam
Deputy Perrot
Deputy Brouard
Deputy Wilkie
Deputy Inglis

ABSTAINED

None

NOT PRESENT

Deputy Le Pelley
Deputy Collins

1865 **The Deputy Bailiff:** Before we move into debate on this amendment, if there is to be debate on it, the result of the amendment marked B, proposed by Deputy Laurie Queripel and seconded by Deputy David Jones was: there voted in favour 10, against 35, so I formally declare that amendment lost and return the voting slip.

Deputy Harwood, you wish to speak.

1870 **The Chief Minister (Deputy Harwood):** I may shorten the debate, if I take the opportunity to speak now.

1875 Merely to say that I would be personally happy to support this amendment. It makes a slight change to the text of Proposition 34. I believe it is consistent with the terms of Proposition 34 and if it would help to shorten debate, I would be happy to recommend to Members of this Assembly to support this particular amendment.

The Deputy Bailiff: Deputy Trott is rising.

1880 **Deputy Trott:** Yes, sir, for two reasons: (a) to say that I share the Chief Minister's views. This is clearly sensible planning and I shall certainly be supporting it.

I said for two reasons. My main reason for rising, sir, is to counter some of the disparaging remarks that were made in the last debate and, in particular, with regard to the performance of the Housing Department over the last decade or so.

1885 Sir, my view is that the Housing Department and, in particular, its over-arching policy of the Corporate Housing Programme, has been one of the striking and distinguished successes of my time in Government and I think Members should remember that when considering matters of this nature.

1890 **Several Members:** Hear, hear.

The Deputy Bailiff: Deputy Brehaut.

1895 **Deputy Brehaut:** Sir, that was in relation to... May I just clarify, sir, I have just... We have a housing shortage of 430. I do not see that as a success story, sir.

The Deputy Bailiff: Is there any further debate?

Deputy Laurie Queripel, I turn to you, as the Chief Minister has already spoken, to reply to the debate, but you may not feel the need to exercise that right to reply.

1900 **Deputy Laurie Queripel:** Simply to say, sir, that I thank Deputy Harwood for his words.

1905 All I have done, sir, if you look at Proposition 34, I have just borrowed in many ways the wording from Proposition 13, which begins by saying that to agree that there will be a provision in the new law and then it goes on to talk about the maximum age limit. Well, all I have done is borrow that and it seems consistent to me that 34 should read, in a sense, very much in the way that 13 does.

So, sir, I thank Members for their contribution to debate and I ask them to support this amendment, which is very mild, sir, and which is just a precautionary measure.

Thank you.

1910 **The Deputy Bailiff:** Well then, as we go to the vote on this amendment, which is marked amendment C, both by Deputy Laurie Queripel, seconded by Deputy David Jones. It is to substitute Proposition 34.

Those in favour; those against.

1915 *Members voted Pour.*

The Deputy Bailiff: I declare that carried.

1920 Now, rather than start the next two amendments, Members of the States, we will adjourn now for lunch until 12.30 p.m. (*Laughter*) – sorry to 2.30 p.m. Some of us do not take a long lunch!

What I am going to propose, unless there is any objection, is that the next two amendments, which both affect Proposition 16, and deal with it in two slightly different ways, be taken in debate together, similarly to the first two amendments that we dealt with yesterday morning. So I would invite Deputy De Lisle to move his amendment first, and then Deputy Brouard to move his

1925 amendment second, and then we will take votes on them in that order again at the end of the
debate on both.
So until 2.30 –

Deputy Fallaize: Sir, can I ask, if we do that, will we vote on the second one, if the first one is
1930 approved?

The Deputy Bailiff: No. (**Deputy Fallaize:** Right.)
That was my understanding, Mr Procureur, was that because the amendment that is being
proposed by Deputy De Lisle and seconded by Deputy Laurie Queripel effectively cuts down who
1935 can be accommodated by a Permit holder as extremely as that, that would go the furthest and that
would be the one to take.

If it is voted in favour, then that is the extent of the restriction that Members want to approve.
If they do not want to approve that extent of restriction, they want to approve the alternative
amendment proposed by Deputy Brouard, then there would be a vote on that. If they do not want
1940 either of those, then we are left with the original proposition.
So 2.30 p.m. for Members.

*The Assembly adjourned at 12.30 p.m.
and resumed its sitting at 2.30 p.m.*

1945

Managing the Size and Make Up of the Island's Population
Various measures
Debate continued

1950

The Deputy Greffier: Sir, debate continues as this morning.

The Deputy Bailiff: I am going to call Deputy De Lisle to move the amendment to substitute
1955 Proposition 16.

Deputy De Lisle: Yes, thank you, sir.
Substituting Proposition 16 to agree the holders of Long Term and Medium Term Employment
Permits will be able to accommodate spouse and partner and dependent children within their
household.

1960 This provides a middle ground, really, between Proposition 15, on page 700, and Proposition
17. I would like to say that the amendment restricts the immediate family to the spouse or partner
and dependent children in the case of holders of Long Term and Medium Term Employment
Permits – unlike the Proposition 16, which would allow spouse or partner, parents, parents-in-law,
1965 children and grandchildren and the point here is that it is dependent children that they are
permitted to bring, not all children. In other words, with families now with second marriages and
so on and so forth, there are a lot of children very often that can be ascribed to man and wife. This
would restrict to dependent children – like, in fact, other jurisdictions are doing at the current time
in Australia and Canada, for example.

1970 Now, there are a number of issues here, sir, that I would like to just outline. First of all, the
immediate family members in the Billet would add to the Island's population, which would
undermine the objective of the new regime, of managing the size and make-up of our population.
This is not consistent with the intention of a policy, which is to manage the population better than
currently.

1975 And secondly, we would be saddled with potential costs of future Health and Social Services
by allowing older family members to relocate with their children, at a time when the future
demographic time bomb is foreseen as a concern locally, as the working population will have to
carry a larger proportion of dependence anyway. So adding to that is something that, perhaps, we
should be avoiding or attempting to avoid.

1980 And, thirdly, as there are no restrictions on members of the immediate family taking jobs on
Island, there could be four or five jobs resulting from one granted Employment Permit, all
competing for local jobs. At a time of rising unemployment and concerns with respect to
downsizing in private sector businesses.

And, fourth, I would just like to make the point that the local socio-economic circumstances, in
Guernsey, have changed since these recommendations were first put out several years ago. The

1985 consequences of the global financial crisis have come to bear significantly on Guernsey's financial services sector. Even Deputy Trott is beginning to realise that. *(Laughter)* A number of businesses have either closed or taken steps to downsize and those who retire are not always being replaced. Redundancies have been announced by a number of the more significant operators in this Island. Conventional business flows are less rewarding and new business is harder to win, as we all know.

1990 Global competition is intense.

All of this, of course, reflects the global problem, sir, at the current time and in this context it is interesting to note that last month the announcement was made by Jason Kenney, who is Minister of Immigration for the Government of Canada... He has announced regulatory announcements there in Canada to their immigration regulations.

1995 In fact, under the proposed regulatory amendments, only children, in Canada, 18 years and under may enter Canada as dependants of a principal applicant. The change has universal application to all immigration programmes and reflects the standard age of majority in Canada.

2000 Now, why are they doing this? That is what I want to just cover more on. The primary objective of the proposed amendment is to admit younger, dependent children, as they are thought more likely to be successful in integrating into the labour market, in Canada, and they will spend a longer period of time contributing the Canadian economy.

2005 There are real lessons in here for Guernsey, I think, because the Government of Canada has set the following as objectives of its immigration system now, and these are all to come in on 1st of the new year, 2014. Those objectives of its immigration system are: first, to fuel economic prosperity within Canada, by selecting immigrants who possess the skills and experience best able to support a strong and growing economy; secondly, to ensure that Canada's immigration priorities are focused on addressing economic and labour force needs; thirdly to maximise the economic benefits of immigration, through improvements for the fiscal sustainability of the immigration system.

2010 There is a lot there, actually, for us to ponder, I think, as we go ahead. That is why I feel that the amendment is appropriate, as it restricts the immediate family to the spouse, or partner, and dependent children in the cases of the holders of Employment Permits. There is no need for the full echelon, if you like, of family members to be coming to Guernsey when they are just coming on an Employment Permit.

2015 Now, as you know, we have got three categories there, on page 700. We have got the definition, first, in recommendation 14, of the immediate family; and then we have got 15 which is Qualified Residents, Permanent Residents and holders of Established Resident's Permits. They will continue, under my amendment here, with the full echelon of family members.

2020 Then we have section 17:

'To agree that the holder of a Short Term Employment Permit will not be permitted to be accompanied by any family members.'

2025 What I am suggesting in 16, then, is that we will have a halfway house, whereby the restriction would be to the spouse or partner of the Permit holder, together with his dependent children only.

So, to sum up sir, the amendment restricts the immediate family to the spouse, or partner, and dependent children in the case of holders of Long Term Or Medium Term Employment Permits. The amendment is careful to include only dependent children.

2030 This is where we need a few definitions, too, in what we are dealing with here, because it is alright to say 'children', but what children are you talking about? How many are going to come in? How many can come in, in the future? I think it is important to say that they are coming in with their dependent children.

2035 The objective here is to reduce the influx of immediate family to a minimum, particularly at this time, when we are going through a difficult period of rationalisation in the job market in the Island and this is to reduce the job take up to the Licence holder and spouse to reduce the number of incoming elderly people on the already overstretched Health and Social Services. To recognise changing circumstances, also, in our economy, of rising unemployment and concerns with respect to downsizing in the private sector businesses.

I would ask that Members support this amendment.

2040 Thank you, sir.

Amendment:

To delete Proposition 16 and replace it with the following –

"To agree that holders of Long-Term or Medium-Term Employment Permits will be able to accommodate spouse/partner and dependent children within their household."

2045

The Deputy Bailiff: Deputy Langlois.

Deputy Langlois: Sir, I did not want to interrupt the Deputy but, at a risk of repetition with my daily reminder, point of clarification.

2050 If Deputy De Lisle refers to the last set of unemployment figures by my Department early in June, calculated using International Labour Organisation standards, not only did unemployment fall by 50 in one month but, in the 12-month moving average has now begun to go downwards. So frequent references to rising unemployment are not helpful.

2055 **The Deputy Bailiff:** Deputy Laurie Queripel, do you formally second that amendment?

Deputy Laurie Queripel: I do, sir – and reserve my right to speak.

The Deputy Bailiff: Thank you very much.

2060 Deputy Brouard, I am going to invite you now to place the alternative amendment to Proposition 16, to be seconded by Deputy Ogier.

2065 **Deputy Brouard:** Thank you very much, sir, and also to the very fortunate Members of the House, because this afternoon, unbeknown to me when I placed the amendment, that there was going to be a second amendment from Deputy De Lisle, so you now have a scale. Deputy De Lisle is at one end of the scale with Deputy Queripel; the open door policy of Policy Council is at the other; and the Guernsey compromise is in the middle. *(Laughter)*

2070 I would like to thank my seconder, Deputy Ogier, for enabling me to place this particular amendment. I think governments have a high degree of kicking the can down the road with population. The young will become old and whether 60,000 is sustainable or 70,000 or 80,000, it always becomes more difficult on a small piece of land, to try and become somehow more sustainable by having more people. I do not just quite get the logic of that.

2075 This amendment, basically, is in the middle of the two extremes. We say that, basically, you come here under a Work Permit: you can bring your husband/wife/spouse/partner and your children. Unlike Deputy De Lisle, we will allow dependent children, as well as non-dependent children.

The twist we have is where there are compassionate or special circumstances, we will allow other immediate family – mother-in-law, father-in-law, parents etc. But they have to be either on special grounds or on compassionate grounds.

2080 The presumption that we have is that you will not be able to bring the extended family.

2085 Again, if we want to restrict the numbers of persons on Island – and that is what the idea is, I believe or at least have some control over the population – then we also need to restrict the number of people coming in and of course the size of house that they take up, because on one Work Permit, you can have quite a few people coming to the Island. That puts added pressure on a lot of resources. If they are in work, that may take away work that somebody locally could quite happily do, because they are not here under a qualified, needed position. They are coming because the rest of the family has moved, so those people could find quite different sorts of work in the community, taking a job which, actually, we would really like to fill locally.

2090 The same on housing, it would perhaps take up a larger amount of housing. They may well have plenty of time on their hands while they are here and they will drive around in their car. Whatever it is, it is just more people on the Island.

2095 So, at the moment, as the policy is written and as it goes forward, there would be no reason for the father-in-law to need to ask to live with his son or daughter. He could just, literally, come in and would be granted, automatically, a Housing Licence. We are saying that, actually, that is not quite right. There needs to be a need for that person to come. If the father-in-law is already living with that family, already has some sort of needs, that they are dependent on him or *vice versa* then, yes, that would qualify on compassionate grounds.

2100 There is the continuing pressure of more people on the Island and there will also have to be some policies written, as the document makes clear, as to what constitutes compassionate grounds, what constitutes special... So, I do appreciate there is a view of subjectivity, but rather than people having a right that they can bring all their family, they have to knock on our door and say, 'Excuse me, there is a real need that we do', in which case, it will be granted. If there is no need, 'I'm sorry there is no reason for your Dad to sell up his fantastic house in the UK or France or wherever, and move in with the family because it would be quite nice to spend five or ten years in Guernsey'.

2105 So, if we are going to have population control, we feel that we need to have good reason as to how many people come to Guernsey under that one working Licence. If someone is here for eight

or 14 years, I think, it is perfectly fair to allow close family and, if there are special reasons, to consider the extended family. This is population management: we need levers and this restriction gives another lever.

2110 Now, I do appreciate that the numbers are going to be small. That is what Housing has told me, and that is an argument that can be worked both ways. ‘Numbers are small, do not bother about it’; ‘numbers are small, actually, let’s do something about it.’

2115 It is, also, one of those issues that almost becomes a rural, in my case, or an urban myth, if you are in town, (*Laughter*) of how many people actually do this? Because it is always that story in the supermarket, ‘Oh, and they bought so and so, and they bought so and so.’ Well, actually, you know, if it is true or not, at least with this amendment, it has got some way of putting some sort of brake on that.

Even so, no tools in the box, no management. Please support the amendment.

2120 Thank you, sir.

Amendment:

To replace Proposition 16 as follows:

“16. To agree that holders of Long Term or Medium Term Employment Permits will be able to accommodate:

2125 (a) their spouses / partners;

(b) their children;

(c) where there are compassionate or other special circumstances only, other immediate family members within their households.”.

2130 **The Deputy Bailiff:** Deputy Ogier, do you formally second?

Deputy Ogier: I am happy to second and reserve my right to speak.

The Deputy Bailiff: Thank you very much indeed.

2135 So we move into debate on these two, alternative amendments. Deputy Duquemin was the first to attract my attention. Deputy Duquemin.

Deputy Duquemin: Thank you, sir.

2140 In concocting this speech, I scribbled down a few ingredients and I took my inspiration from the television chef, Gordon Ramsay. (*Laughter*)

The Deputy Bailiff: Would you mind your language then, please sir? (*Laughter*)

2145 **Deputy Duquemin:** Mr Deputy Bailiff and *Hansard* will all be pleased to know that the F-words that I am going to use are: fairness, farce and finance.

Let us start with fairness. I am happy to go on record, with personal experience, to say that nobody really wants their mother-in-law to come and live with them. (*Laughter*) Hopefully, my wife’s mother will not be on gov.gg any time soon.

2150 But I say that with a serious point, because the point that I made yesterday, in talking about the parity between the different QRs and Long Term and Medium Term Employment Permits, is the seeking to have parity between all of them. So, it is okay for me to have my mother-in-law to come and live with me. But I quote an example and look at something like the people that we want to come and work in Guernsey. Maybe at the start of 2014, somebody is coming for an interview at one of the schools, as Deputy Sillars mentioned, and it may be that they are maybe 40 in age, maybe 45; mother-in-law or mother may be let us say 65, 70. Within the space of five or ten years, there is a concern that they *might* want to be able to have the ability to accommodate their mother in that family. I think it is only right that they should be able to do that.

I do not think it is a loophole. I think it is the right thing that they are treated equally with everybody else that is living on this Island at the same time.

2160 I also do not think... I think it is a bit of an unnecessary hoop. To use Deputy Laurie Queripel’s thing, even if the hoop is not on fire, it is still an unnecessary hoop, because this is the farce. This is the farce part.

2165 The question I asked those in the know is when would we say no? When there is the need for a compassionate licence or a compassionate licence for special circumstances, when would we say no? And the answer was, never – arguably, never.

The wording in the Proposition as it is tabled today is no different to the current regulations that are in place. So, for me, it is a farce that we would have people jumping through these

unnecessary hoops and not give them the decency of certainty over what they might want to do in a few years' time.

2170 Which leads me onto, further on the farce category, why do we then need to pay somebody to say yes? It is almost like the advert for a bank, is it not? Why is someone paid to say yes, to every single application that comes through the post?

2175 We are looking, at the moment, at voluntary redundancies within the Civil Service and here we are saying, 'We have got a streamlined Population Management Regime that is going to make things work smoother and better; but here we want to have someone in Charles Frossard House, sitting in an office and we are going to pay them to, basically, say yes to every single compassionate licence that comes through. I think, in terms of finance, the last point, that does not make sense.

2180 Also, I add one point to that, in terms of what I think Deputy De Lisle and Deputy Brouard both mentioned in their opening speeches, where they spoke about the possibility of those families bringing other people. It may be that one person comes over on a Work Permit but they may bring a wife, they maybe bring young children that maybe become adults, living in that same unit of accommodation and that is a problem.

2185 I always consider that to be an advantage. It is almost like, sometimes in the employment market – Deputy Langlois has just explained to us exactly how our unemployment rate is – and it sometimes, it is almost a case of buy one get, one free. Often we may have two teachers that come over at the same time, we often have maybe even two nurses at the hospital. Often, it is not a case that that other person is just a drain on resource of the Island; they are actually a contributor to the ETI tax take.

2190 So, I think, we need to look at that with a slightly different perspective.

So, what I would say is both these amendments, in terms of, fairness, farce and finance, certainly have not tickled my taste buds and I will be voting against both these amendments.

Thank you.

2195 **The Deputy Bailiff:** Deputy Lester Queripel, followed by Deputy Conder, followed by Deputy Gollop.

Deputy Lester Queripel: Thank you, sir.

2200 So, I am speaking, primarily, in support of Deputy Brouard's amendment but, unlike many of my colleagues sir, I have wrestled with the whole population issue for months.

Now, since everything hinges on the population of our Island, we are, somehow, going to have to find a balance – not too much in one direction and not too much in the other. So, how to we obtain that balance we need?

2205 Well, we have to consider all the options, of course and listen to the viewpoints of Islanders when we are out in the community, because the views of our fellow Islanders are also key to the issue of population.

2210 Some Islanders would like to turn the clock back to the 1970's and the 1980's, when tourism was booming and we were exporting thousands of trays of tomatoes every week. Some Islanders want to keep the Island exactly as it is now, because they are perfectly happy with what we have got. Some Islanders want us to become like a small city or a Manhattan which, as Members will know sir, is smaller than Guernsey, with a population of approximately a million people living in tower blocks.

2215 But Manhattan does, of course, have Central Park, a green area and some Islanders have told me they would be happy to see Guernsey developed, as long as we keep some of our green areas. Presumably they mean St Peter's, Torteval.

2220 So, taking all those viewpoints into consideration is very important when trying to retain some kind of balance. We have to bear in mind that, ultimately, we are a small Island and there is only so much we can withstand. Sir, everything really does hinge on the population of the Island and we all know we have a demographic time bomb looming and that we need more people in the workplace. Ideally, people would pass through the system. They come to the Island on a five-year Licence, transfer their skills to a local person and, when their Licence expires, the newly qualified local person steps into that post – but, of course, it will not always happen that way.

2225 If we are going to attain the balance we need, then we have to give some serious consideration to whether or not we let applicants bring parents, parents-in-law and grandchildren with them as well as their own children, because, primarily, we need people in the workplace, paying taxes and contributing to our Social Security system.

So as much as we might like to support applicants in the desire to bring their extended families with them, the reality of the situation is we cannot really afford to do that simply, because we could end up with far too many people on the Island who are not in the workplace.

2230

Then we would quite possibly have to consider spending money extending our healthcare services, we may need another school, more teachers, there would be more cars on the road so we will probably have to spend more money on our roads and our infrastructure, and where would all this money come from? Well, it would come from the people in the workplace, who pay their taxes and their contributions.

2235

So, we could, quite easily, end up spending a lot of money improving our services and our infrastructure to accommodate the people who come here to live, who are not actually in the workplace. I appreciate that this is a sensitive issue and, of course, we want to comply with Human Rights at all times. It seems to me that we will do that by adopting the compassionate grounds approach.

2240

So, sir, I think that supporting this amendment, Deputy Brouard's amendment, will certainly put us on the path to obtaining the balance we need and uppermost in my mind at all times is that we are indeed a small Island, and there is only so much we can withstand.

Sir, on a quest to retain balance, I will be supporting Deputy Brouard's amendment.

Thank you, sir.

2245

The Deputy Bailiff: Deputy Conder.

Deputy Conder: Thank you, sir.

2250

Sir, in rising, I would like to congratulate Deputy De Lisle and Deputy Brouard on their considered and compassionate presentations. Sadly, on this occasion, I will not be able to support either of the amendments. *(Laughter)*

I would also like to thank and congratulate Deputy Langlois for, yet again, reminding us of what our unemployment situation is.

2255

If I can remind all my colleagues and put my Guernsey Training Agency hat on, which is now getting a bit worn, we do not have an unemployment problem; we have an over-employment problem. We have a skills gap and we have a hard-to-fill vacancies gap.

There is a level of unemployment, much of which is structural, which, yes, we have to address and which Skills Guernsey is helping us to address. But we are uniquely fortunate and remain uniquely fortunate in terms of our unemployment level. What we actually have to address is how we fill and address the gaps in our economy.

2260

There are skills gaps where we do not have the skills to fill posts, and there are hard-to-fill vacancies, where we do not have enough skill to fill particular vacancies. So, I thank again, Deputy Langlois for reminding us and I hope he will continue to get on his feet every time we talk about the growing and serious unemployment problem this Island has.

2265

Sir, we have, also, an ageing population and, given the size of the population of my age, we will continue to have that. That is one of the issues that we have to address.

One of the ways you address an ageing population is, as Deputy Queripel said, to make sure there are enough people in the working population to address the tax requirements to support the whole population. Another way, of course, is to ensure, on occasions, that there are enough family members to support each other, because, of course, that is one way that many economies actually reduce the burden on the state.

2270

If I can just take my own example, which I have already alluded to, I came here 11 years ago to be appointed as the first head of the Guernsey Training Agency. My wife came with me and, again to use Deputy Duquemin's analogy, we were actually told that the Island got two for one, because she was a registered social worker, she spent many years working with my friend, Deputy James, and she ended up as the head of the profession of social workers on the Island and, I think, it would be fair to say, she formed rather a more valuable contribution to this Island than I was. I do not hear anybody arguing with me! *(Laughter)* And, if she is listening to the radio, I do not suppose she will argue, either! *(Laughter)*

2275

If I can just then turn... Indeed, there are many occasions, as Deputy Duquemin has said, when we do actually get two for one, sometimes three for one. If I could just take my own children as an example because I think I am a case study, in some ways, they are not dependent; they are independent. Actually, I am not sure are not dependent still, given the amount I pay out, but... *(Laughter)* technically, they are independent.

2280

2285

They would not be allowed to join us under these amendments. If they were, I cannot imagine they would, they stay as far away from their Dad as they can, but if they were, you would get, in one case... Europe's leading tax lawyer in terms of FATCA. I am not sure what FATCA is, and I

will not ask my learned friend up there to explain it to us, but I know it is something to do with tax and finance.

2290 But anyway, she happens to be the leading European tax specialist in terms of FATCA. We would get her for nothing; and you would get a chartered director in the other case. But under these amendments they would not be allowed to join us, if they wanted to.

Under these amendments, as far as I can determine, they would not be because they would not be dependent.

2295 Happy to give way...

Whether that is correct or not, the point I am trying to make is that you do often get more than one registered skill brought onto the Island, through people coming on Licences. So I think we have to bear that in mind. We have an ageing population but the most important thing I am trying to put across is we have skills gaps. We have high level skills gaps. It is the skills gaps that we need to fill that will generate tax that will pay for our ageing population and will pay for our infrastructure. We do not have a major unemployment problem; we have a skills problem, we have an over-employment problem.

2300

That is why I urge my colleagues to reject both of these amendments.

2305

Thank you, sir.

The Deputy Bailiff: Deputy Gollop, then.

Deputy Gollop: Thank you very much.

2310

Yes, I need my own skills gap filled, I think at times. *(Laughter)* And, of course, it opens up another debate on whether our Skills Strategy is going in the right direction, but I will park that one for now. I think Deputy Conder –

The Deputy Bailiff: Deputy Gollop, that is probably... that would not be relevant to this debate (**Deputy Gollop:** No.) and will be ruled out of order.

2315

Deputy Gollop: Yes, but Deputy Conder has actually, though, raised a valid point about comparing our society with others.

2320

Deputy De Lisle has put his arguments clearly, but I would draw the Assembly's attention, really, to two relevant facts about Canada that are different from Guernsey's, apart from the fact that it is a lot bigger and there are polar bears.

The first point is that Canada is a sovereign state. It is not part, in any shape or form, of the United Kingdom or the European Union.

2325

The second point is that its unemployment rate, according to one of these electronic devices, is about 7% – 7 to 7¼% – maybe double for younger adults. We have an over-employment problem as we have just been informed, so, the situations are different.

The history of these proposals is quite interesting, because I gather that at some point in the 1980's, people were able to bring in their brothers and sisters too, and, of course, the role that brothers and sisters play is more important in some cultures and family types than others. I think, by definition, locally resident families, especially if they are long established, will have their cousin's families around them and newcomers will not and so will be perceived at a disadvantage, if the restrictions are too draconian.

2330

I would, though, argue that Deputy De Lisle's amendment goes too far, it is more restrictive than the current situation and will lead to difficulties.

2335

Deputy Brouard's, I think, is about right. I hear Deputy Duquemin's arguments that it would never actually be implemented, but presumably, cases where the applicant could demonstrate that there was a significant reason, perhaps connected to family circumstances, incomes or ages would be a factor and it would act as a little bit of a barrier to people thinking that Guernsey was a free-for-all.

2340

I also like it for another respect, and I hope I am right in this respect, that the Brouard amendment would not only allow the adult children that Deputy Conder referred to, because their children are not of any specific age but, more crucially, point 3 says:

'where there are compassionate or other special circumstances only'

2345

– and that will have to be defined, I think, at a later point –

'other immediate family members'.

2350 Now, that might, include brothers and sisters and from Deputy Lester Queripel's point of view, if the goal for the future is importing people with skills of working age, then, generally speaking, brother and sisters might be more appropriate than, say, grandparents-in-law or whatever and so I think that the amendment is actually an improvement on the Propositions as well, as offering a bit of a break.

So I will support the Brouard amendment.

2355 **The Deputy Bailiff:** Mr Procureur, can I just ask you for a bit of clarification on what Deputy Gollop has just said, about brothers and sisters and how that is consistent with Proposition 14?

2360 **The Procureur:** Yes, you can, sir, and I am so relieved, because I was just checking out what the position of brothers and sisters were under the 1969 Law, and I had not quite got there.

It is up to Mr Brouard to explain if this is wrong, but I took the intention of 'other immediate family members' to refer to the term of 'immediate family members' as set out in, and defined by, the Report – therefore extending to those who are permitted under the current law, including, parents, parents-in-law and grandchildren. (**The Deputy Bailiff:** Thank you.)

2365 That is what I thought he meant.

The Deputy Bailiff: Deputy Green.

2370 **Deputy Green:** Sir, Members, I am not going to be supporting either of these amendments and I will try to explain my reasons.

I think the balance that is set out in the Billet by the Policy Council is the right balance. I think the fundamental error that both of these amendments are making is to, essentially, exaggerate the fear of opening the floodgates when, actually, we are talking about a very small number of people. That number of people may not be quite *de minimis*, but it is a small number of people and although, perhaps, there is some merit in saying this is too broad or too liberal, I really do not see it. I think that all we need to really know about this issue is covered in the Billet, and it is paragraph 11.8, which is page 757. We are told this and I quote:

2380 'Although the list of proposed immediate family members was questioned by a small minority of people during the consultation process, the Housing Department's experience of administering the current Housing Control regime has shown that relatively few people wish to be accompanied by members of their immediate family beyond their spouse or partner and children. It is not common for people to choose to live with families comprising more than their most immediate family and the cost of property in Guernsey make this an expensive option.'

2385 That is all we need to know. These amendments are based on, in my respectful submission, a somewhat misguided and exaggerated fear. We are talking about a small number of people, and I will not be voting for either.

The Deputy Bailiff: Deputy Hadley, then Deputy Trott.

2390 **Deputy Hadley:** Mr Deputy Bailiff, some excellent points have been made as to why we should oppose this amendment.

2395 One point I would like to make is that people actually forget that, were we to impose this, it would not really be fair to the United Kingdom, because this is a two-way traffic. I am sure for any elderly people that are over here, perhaps being a burden on our system, equally, in the United Kingdom, Guernsey people resident there have taken their parents over there. In fact I think that both Deputy Quin and I know people Guernsey people in the United Kingdom being supported by the Social Security system.

2400 It is also a discriminatory amendment. It would be a barrier, I think, to people wanting to come to the Island where I would hope we try and treat them equitably.

So I would urge people to vote against the amendment.

The Deputy Bailiff: Deputy Trott.

2405 **Deputy Trott:** So, once again, very briefly, I think the Policy Council have got this spot on, once more. I shall be rejecting both of these amendments.

I think Deputy Darren Duquemin early in the debate on these matters nailed it; but I would pose four objective question in arriving at the conclusion that I have. The first is: what sort of society say, 'Only some of you, in your family, are welcome'? And what sort of society seeks to split up the family unit? What sort of society would fail to recognise compassionate reasons for

2410 not separating grandmother from granddaughter on compassionate grounds? The point that Deputy Duquemin was making about the farce of the Brouard amendment. And what sort of society seeks to socially engineer in this matter?

I would like to be fairly certain in my response to that and say, not the society that I have been proud to live in for nearly 50 years, the Bailiwick of Guernsey. I would hope that both of these amendments are rejected by a substantial margin.

Several Members: Hear, hear.

2420 **The Deputy Bailiff:** Deputy Brehaut.

Deputy Brehaut: Thank you, sir.

Deputy Brouard made an appeal for the middle ground and I think that I will support the amendment on that basis.

2425 We seem to have the Policy Council a little bit like French restaurateurs, when you arrive at the pavement: 'How many of you, there are four? Wait a minute, no, there are eight of you, no, we'll find room, come in, everybody is welcome.' I do not think that that is the right approach to take.

Then we have the Deputy David De Lisle's approach which is that you question whether you are allowed to bring your *furniture* with you, let alone your family. (*Laughter*)

2430 But we do have the middle ground, which is the Brouard-Ogier amendment and I support it. Deputy Trott has posed the question, what sort of society? Well, a society with an acute housing shortage, and a society with a structural deficit behaves in a different way to a society with an awful lot more land mass.

Thank you very much.

2435 **The Deputy Bailiff:** Deputy Ogier, to be followed by Deputy Stewart.

Deputy Ogier: Thank you, sir.

Yes, we want people to come here and we want them to bring their skills, we are happy and we think that it is logical that they bring their spouses and children.

2440 I do think it is fair to say, 'Please feel free to bring your spouse and dependent children and, if situations change in your family, and there are compassionate grounds, we will allow you to bring in your parents, parents-in-law and grandchildren, but they cannot come here as a matter of right.' That sounds perfectly fair and reasonable to me.

2445 'Please feel free to bring your spouse and children *and* – get this – we will even allow your parents and parents-in-law and grandchildren to come over, if things go wrong in your family life, which mean you need to help out.' I do not think that is an unfair position to take. That sounds completely fair and reasonable, to me.

2450 I see that as a caring, considerate attitude to someone coming to work on our Island, and I see that as a caring attitude to ensuring we manage the population on this Island and the infrastructure required to support them.

2455 We here are of small numbers of people and we have no way of knowing how many family members this will affect in the future. What we *can* be sure about is that one of the problems we face today, like many other jurisdictions, is the dependency ratio. I cannot be alone in spotting the logic in having some control of the numbers of elderly dependants a Licence holder brings in and under which circumstances.

That is what the Brouard amendment does and I ask you to support it.

The Deputy Bailiff: Deputy Stewart.

2460 **Deputy Stewart:** Just really, sir, if we turn to page 759, we have the situation today and paragraph 11.20 spells it out:

2465 'The Housing Control Law allows Qualified Residents and the holders of essential and non-essential Licences to be accompanied by their spouse, children, grandchildren and their parents and parents-in-law...'

That is the situation as it is today. So, Deputy Brouard, with respect, that is not the middle ground; that is retreating ground.

Deputy Brehaut made the point that we have a housing shortage, but these people still have to be accommodated in the same house as the Licence holder, so that will not be spilling over.

2470 Just, really, I guess to clarify things. Deputy Bailiff, thank you.

The Deputy Bailiff: Deputy Wilkie, followed by Deputy Laurie Queripel.

Deputy Wilkie: Thank you, sir.

2475 I am just practising my Perrot pause, because I am going to talk about some legal stuff.
(*Laughter*)

On the Deputy Brouard amendment, in part (c):

2480 ‘where there are compassionate or other special circumstances only, other immediate family members within their households.’

2485 ‘Where there are compassionate or other special circumstances’: I find that a bit ambiguous and maybe learned friends around can let me know, but I think that might lead to some sort of litigation, because if somebody asked for this compassionate or special circumstances and is refused, they must have some sort of right to appeal. That will obviously involve lawyers, and I would just like someone to answer whether I am right in thinking this, that it will cause us more cost for us and more cost for the people coming to the Island.

Thank you.

2490 **The Deputy Bailiff:** Deputy Laurie Queripel.

Deputy Laurie Queripel: Thank you, sir.

Sir, before I launch into my own few words, it is just a few points I would like to address that have already been mentioned in debate.

2495 First of all, I notice that Deputy Duquemin has mentioned on social media that I was asleep during my brother’s speech. I do not think that was the case, sir, but, if I was asleep, I probably fell asleep during Deputy Duquemin’s speech, sir, I think, especially when he mentioned Gordon Ramsay.

2500 Also, Deputy Duquemin said that this will create unnecessary bureaucracy, sir – who will make the judgement as to grandparents or parents or in-laws can come in on compassionate grounds? I would assume, actually sir, it will be the bureaucracy that is already put in place: a statutory official and the advisory panel. So I do not think there will be a need to create any extra bureaucracy. That will already be in place because that will have been put in place to compliment this regime.

2505 Then sir, Deputy Langlois and Deputy Conder have mentioned the unemployment numbers and I will take those numbers, sir, with something of a pinch of salt, because nobody has yet mentioned what might be termed the hidden unemployed. A number of Members in this Assembly are aware of the fact that not insignificant numbers of employees from within the corporate sector and within the banking sector have recently been made redundant, of course with financial packages, but they are yet to sign on, sir. They are yet to go to Social Security and make themselves known, so I would not take this 400 figure in a sense that it is absolutely gospel and it will not change. Things can change at any time in the future and we need to be aware of that and perhaps be prepared for that.

2510 So, sir, in seconding and supporting Deputy De Lisle’s amendment, I have to say that I am some way out of my comfort zone. I do not know what impression I gave to other Members of the Assembly, sir, and they do not have to answer that one, (*Laughter*) but I instinctively feel that I am a fairly liberal person. I am a humanist and I am the kind of person that does not want to see any kind of unnecessary restriction in place – period, whatever the issue.

2515 But I feel that there is an irony emerging, sir, as this debate unfolds. I do not mean this in a mean spirited or disrespectful manner, but it seems to me at least an element of what you might call the more left wing Members of this Assembly, those that might have a greater interest in social policy, might even be considered, at times, to be a touch sentimental, they are making the case for restraint! They are calling for the tough decisions to be made, trying to remind Members that we need to be fiscally responsible, consider the long-term sustainability of our service and the limits of what our Island can and is able to offer, mindful of the tax burden and, perhaps, the increased liability on Islanders if the regime is too liberal.

2525 So, I think sir, the attempt to make that case had been somewhat misunderstood and, as a result, I think terms like ‘xenophobic’ and ‘discrimination’ have been slightly misplace and perhaps too loosely used.

2530 Does any Member really think, sir, that this Assembly is occupied by rednecks or people with malevolent intent or people of real and great prejudice? I hope not, because I do not think it is.

So, what we are actually hearing, sir, is two sides of an argument: an argument in regards of a very big and a very emotive issue. At times, those arguments could have been put better, but I think the reaction, in its own way, demonstrates a form of intolerance.

2535 So, sir, we need to calm down a bit and allow for people's views and listen with more care to what is really being said.

So, now sir, in supporting Deputy De Lisle's amendment, I am placing my call for restraint, to consider what is proportionate and what is sustainable – and I do not relish it, sir. Sir, if I had a magic wand, I would immediately wave it and double the size of the Island and provide a plentiful supply of quality housing and add £50 million a year to our income, happy days. But, sir, quite the opposite is happening. We are facing lean times, perhaps, for a long time.

2540 In fact, we are cutting services and that is having a direct impact on Islanders and their quality of life. When we had the debate some time ago on the level of benefits, I voted for all the amendments that would have enhanced and further resourced social policy, but the more conservative element of this Assembly, sir, told us that we had to bite the bullet, that we had to put measures of austerity in place and they knew that they felt it was necessary and they realised that it might cause Islanders some additional hardship, but they went with that anyway.

2545 So, sir, we need some of that resolve now, we need to look at these things analytically, we need to be honest, we need to honestly assess the impact and consequences of a regime that might be just a touch too liberal. Sir, that is not racism; it is realism. A regime, sir, by the very definition has to contain conditions and limits and measures. If it did not, we would be looking at a blank document; it would be a free-for-all.

2550 So, sir, we can all have noble, fine and ideal thoughts and beliefs, if we wish to and mine extend to all humankind, sir, I want to assure Members of that. But, sir, we have been elected, first and foremost, to consider and serve the interests of the Guernsey community and the people that already live within that community and the impact upon their lives of any decisions that we make.

2555 So, sir, I support this amendment in that spirit and I have supported it after a long and difficult consideration. I ask other Members too, sir, to see the amendment in that spirit.

Thank you, sir.

2560 **The Deputy Bailiff:** Deputy Gillson and then Deputy Perrot.

Deputy Gillson: Thank you, sir, I will be brief, just a couple of points.

2565 Firstly, I would like to congratulate Deputies Brehaut and Ogier on their speeches. I will not repeat them, but I fully align myself to what they have said.

I just want to comment on something that Deputy Green... The thrust of his speech seemed to be towards, 'it is only a small number of people, so don't worry about it'; but the trouble with that argument is you open the door a little, fine, but then another amendment or rule opens it a little bit further and after five or six little 'don't worry about it' changes, you actually find the door is wide open. So, I think, take care with an argument that says, 'Don't worry, in this instance it is only a few people.'

2570 I noticed yesterday a number of Policy Council members made speeches which basically said, 'It's a brave new world, don't support this amendment because it takes us back to the old system'. Yet, today, we seem to have, if I understood him right, Deputy Stewart, a member of Policy Council, making exactly the opposite argument! So, Policy Council, which way is it?

2575 But I think that I will support Deputy Brouard's amendment, it is a good compromise, it is a sensible amendment. I will not be able to support Deputy De Lisle's: I think that is a little bit too restrictive.

Thank you.

2580 **The Deputy Bailiff:** Deputy Perrot. (*Laughter and interjection*)

Deputy Perrot: That was for the benefit of Deputy Wilkie. If he is going to copy me, let him do it properly! (*Laughter*)

2585 **Deputy Wilkie:** Sorry, sir, mine was not long enough.

2590 **Deputy Perrot:** I am inclined to support Deputy Brouard's amendment, but that does create – (*Laughter*) I have got great sympathy for him. (*Laughter*) That does create a great difficulty because what is being tried here, under this new regime, is to have a formal set of policy restraints within which the statutory body can work, so that there are policies laid down. I can see that in deciding whether there are compassionate circumstances, to allow people to occupy Local Market

accommodation, that will create difficulties. Well, that of itself ought not to prevent what Deputy Brouard is trying to bring about, but I suppose my difficulty is that he has used the phrase, 'where there are compassionate or other special circumstances'.

2595 Compassionate circumstances have been looked at for very many years, under the Housing Control Law. It would be helpful, to me at least, if, when he is summing up, Deputy Brouard could set out by way of example other special circumstances which the statutory body might have to take into account.

2600 **The Deputy Bailiff:** Deputy Lowe.

Deputy Lowe: Thank you, sir.

I will support the Deputy Brouard and Deputy Ogier amendment, because I think it is a very sensible one. It makes it very clear, if there are compassionate or special circumstance, then, of course, permission will be given.

2605 But we have been told for the last ten years or more about the demographic growth here in Guernsey and it is happening, as well, in other places around the world, and the serious problems we have got here on our small Island to be able to deal with those. Yet, here we are, if we do not actually support this amendment, we are adding to it.

2610 We have currently – and I am not being sarcastic here Deputy Dorey, so please do not take it that way – but we have, currently, 80 or 90 people still waiting for operations, because we cannot get the staff. We would be adding to that. The local population currently would be penalised yet again, because we could be adding to that, if we were going to bring in other people into the Island who may well need health care.

2615 Do we really want to add more problems to the demographic growth that exists here? Do we really want to do that? Clearly, some are happy to do that. I do not think that is right – unless it is exceptional circumstances. I do not think we should be opening up the door, whether it is for a few or whatever. We are not able currently to deal with the problem that we have got here in Guernsey. We have a reduced number coming up of the working population. Who is going to be paying for all of this that is going to be needed, for the care and for the long-term care?

2620 It is also a fact, is it not, that the UK, as one jurisdiction alone, do not actually have a long-term care scheme. We, thankfully, do and people coming into the Island have to be here for a period of time to be able to utilise that.

2625 Nevertheless, it has been topical for several years in the UK, where they have got to sell their property to go into long-term care. They could come over here, currently, be here for five years and make use of that. We are already saying that have not got enough facilities here for those already on this Island – and yet we are saying, 'If you want to open it up wider, we are happy for that to happen.'

2630 Their healthcare system, if we are going to use the UK again: again, they have got long waiting lists. We have currently got waiting lists, which we should not have, and I am looking to Deputy Dory to address that. He said he would to that as soon as he got elected, to address that and make sure we have got the list down and got wards open. I am glad to see he nodding in agreement, because we have to get that back on track. We do not want to add to that, and I just think this amendment is the sensible way forward. This amendment is one that will say, 'Yes, of course, under compassionate reasons or special circumstances, we will allow that.'

2635 But, please, do not go down the route of having this as an open door. Just remember that we actually do have a responsibility for those living on this Island. This is all about those coming in to this Island. Remember, think of the larger population that already exists here and give them some consideration for the services that they expect and the care they expect, for when they need that care in the future.

2640

The Deputy Bailiff: Deputy Robert Jones.

2645 **Deputy Robert Jones:** Yes, just a quick question for the doom mongers among us, do compassionate and special circumstances include an elderly parent that is no longer fit to look after themselves? Or would they fail the test on compassionate grounds?

I am a little bit confused because what the Report actually says here, the most obvious event that does take place is an unforeseen event, where the family are over here, with grandparents in the UK: an elderly grandparent or an elderly parent becomes ill and they have the option of bringing them over here to care for them. Are we then saying that the compassionate grounds will not be extended to those people, because we have a health service that is under pressure? I think Deputy Lowe's speech there would probably exclude a person under those circumstances.

2650

2655 I think there is too much doom and gloom going about. (**Several Members:** Hear, hear.) I do not think we are going to have cars full of ill grandparents and grandchildren suddenly queuing up to come over to Guernsey. All the pressure that everybody seems to be putting on, I think it is highly exaggerated. (**Several Members:** Hear, hear.)
So, thank you.

2660 **Deputy Lowe:** Can I just say, as a point of clarity, that I was not actually saying that somebody would be refused –

The Deputy Bailiff: Deputy Lowe –

2665 **Deputy Lowe:** Oh, sorry, sir.

The Deputy Bailiff: – on what basis are you standing to speak? (*Interjection and laughter*)
I am not saying you *cannot*, Deputy Lowe; I am just asking you on what basis are you going to speak?

2670 **Deputy Lowe:** I just wanted to *clarify*, sir, the reason that... I did not actually say that somebody could not come over, sir, if their parents are actually ill, to come over. I never said that.
That is what the amendment makes it very clear: under special circumstances they would be able to do so.

2675 **The Deputy Bailiff:** Thank you. Is there any other – ?
Deputy Bebb and then Deputy Le Lièvre

Deputy Bebb: Thank you, Mr Deputy Bailiff.
2680 Very briefly I fully concur with my colleague, Deputy Trott, in his speech and I think we need to go back to that point that he made that this would be superfluous.

But I would also add that in this day and age, it is fairly evident that grandparents play a far greater role within the family than they have done for many generations, because the increasing cost of childcare means that many families turn to their grandparents to look after children.

2685 I see no reason why we would want to impose specific circumstances for grandparents to be coming over here, in order to actually fulfil that family unit. I think that Guernsey has had a very strong history of supporting the family, and I would sincerely hope that Members today will continue with that practice, and therefore reject both of these amendments.
Thank you.

2690 **The Deputy Bailiff:** Deputy Le Lièvre.

Deputy Le Lièvre: Yes, thank you, sir.
2695 Let us make no mistake about it, there is no more powerful force for social inclusion than the extended family unit. Deputy Bebb has just made the point about grandparents providing care for their grandchildren – and don't I know about it! There is only one so far, but we do a wonderful job! (*Laughter*) Well, least ways my wife does a wonderful job...

2700 Funnily enough, I was brought up in a six-bedroom house, rented one in the Grand Bouet called Alderney House and I shared a bedroom with my brother. On the other side of the corridor was my parents' bedroom, beneath them we had my maternal grandmother and my paternal grandmother as well on the other side, so both female grandparents. We had a maiden aunt and when my Auntie Marge came out of the King Edward VII, after suffering tuberculosis, she came and joined us as well.

2705 The likelihood of that sort of arrangement existing nowadays is very, very remote. When you look at paragraph 14 on page 828, it talks about the spouse and the partner, the parents and parents-in-law, the children and the grandchildren, the implication is that they are *all* going to descend on you in one go. But, of course, the spouse and partner's parents are the children's grandparents, so who are the grandchildren? They are the great grandchildren.

2710 So these sort of circumstances are not going to exist *en masse* as shown there. There will be people coming across and it is right that they do so because, as I said, going back to my first point, there is no more powerful unit than the family unit, and to split them up is the wrong thing to do.

When I read the amendment from Deputy De Lisle, I have this vision of the poor non-dependent child, about 18, left on the platform (*Laughter*) waving everybody away, with a tear in

their eye and that cannot be right! That is what I would not like to see. I know we are not Canada and we should not try and do what Canada does.

2715

Thank you very much, sir.

Several Members: Hear, hear.

The Deputy Bailiff: Is there anybody else who wished to speak in the debate on these two amendments?

2720

Very well, we will move to the winding-up phase, first of all on the amendment being proposed by Deputy De Lisle and seconded by Deputy Laure Queripel. So Chief Minister to reply on behalf of the Policy Council to that debate.

2725

The Chief Minister (Deputy Harwood): Thank you sir.

I said in my opening speech there are matters of political judgement and I think this is one of them, the definition of ‘immediate family’. Some people have said we are opening a door; we are not. What we are, actually, is recognising the *status quo* and, to those Members who have said that we are not... We have made the point already, this is not going to be opening a flood gate. It is a recognition of the *status quo*.

2730

To Deputy Gillson who is questioning why Policy Council was minded, on this occasion, to continue or to perpetuate one of the principles of the current Housing Licence regime, I would say to him, sir, that this is about population management and this relates to population management. It is not, for example, as with some of the earlier ones, in relation to the properties that people were occupying.

2735

Sir, Guernsey has a culture where it recognises the importance of grandparents. We will all recognise a number of Guernsey properties that have ‘granny wings’. It is part of our culture and I fully support Deputy Le Lièvre. The importance of the family unit does extend to grandparents. I am not a grandparent at the moment, but I would nevertheless believe also that grand... and I will speak up for grandparents, I think, actually, grandparents have a contribution to make to society and to this Island. Not all grandparents are totally incapable of making contributions. Oh, I see one of my fellow colleagues on Policy Council is acknowledging that! (*Laughter*) Some grandparents can actually, even contribute by way of tax to the Island.

2740

The point has been made that grandparents also provide important support for the family unit and the classic case here is a grandparent providing support for children of parents who are both in employment. There could well be some people who came here under Permit, where both parents will need to be in employment.

2745

So, sir, the initial De Lisle-Queripel amendment has the advantage of simplicity, but it has a disadvantage that it is highly restrictive. It does not allow any flexibility and, in particular, sir, it does not address the ‘what if’ situations.

2750

Some of the questions regularly raised with the Housing Department, particularly by those who are planning to make long-term commitments to the Island: ‘What if my daughter is unable to look after her children for some reason? Could the children come to live with me for a while?’; ‘What if my elderly father needs to be cared for at home? Could he move in with us?’

2755

If we accept the De Lisle-Queripel amendment, the answer to that is no. I would urge all Members to vote against the De Lisle-Queripel amendment.

The Deputy Bailiff: Deputy De Lisle, I invite you to close the debate by replying to the amendment that you and Deputy Laurie Queripel are moving.

2760

Deputy De Lisle: Yes, sir, I thank you for that and I thank Deputy Queripel, a humanist, who feels that there should be restraint at the current time. I think, of course, everything depends on the way the economy goes, in the future, doesn’t it, really? There are those that look forward and see concerns, particularly arising in the labour market, and therefore it is something that needs to be considered.

2765

It is one thing for Deputy Langlois to say – of course, he is working in the Department, so he is going to protect his own figures, but the fact is 400, perhaps, unemployed – but do not forget the other 200 that are just taking the odd little job here, there and the other, while they are looking for employment, so that is 600, sir. The Deputy has to look at the full range and the full number and then he has got all these others that are going to be coming up to him in the future, that have already been told that they are off work, (*Interjection*) whether it be in a few months.

2770

But anyway let us get on with the –

2775 **The Deputy Bailiff:** Deputy De Lisle, if you can just bear with us for a moment. Deputy Stewart wishes to rise – on what basis?

Deputy Stewart: Just, we cannot say there are another 200. There is no evidence
2780 What we use for the Island figures, there are 401 unemployed, according to those figures, which are properly laid out. It is only speculation that there may be another 200. We cannot say that.

Several Members: Hear, hear.

2785 **The Deputy Bailiff:** Deputy De Lisle to continue.

Deputy De Lisle: That is quite incorrect, sir, because Deputy Langlois actually publishes the other 200 in his assessment of the unemployed *every month*. He makes that point and it is made very clearly.

2790 However, there is concern in this community, and this amendment is put forward to restrict the immediate family only in terms of those people that are coming in to work for a few years, to the spouse and the partner and the dependent children. The amendment is careful to include only dependent children. The objective is to reduce the influx of immediate family to a minimum, at this time of restraint and austerity. It is to reduce the job take up to the Licence holder and spouse, to reduce the number of incoming elderly people on the already overstretched Health and Social Services budget, and to recognise changing circumstances in the labour market of rising unemployment and concern with respect to downsizing in the private sector business and also,
2795 now, in terms of the initiatives taken in Government, both in Deputy Langlois' Department, to bring in and hire outside consultants to find jobs for people and also, in terms of the Government new programme that has been announced of voluntary, if you like, severance.

2800 So those are all important issues and I would ask Members to consider carefully the future of the Island in that context.

Thank you, sir.

2805 **The Deputy Bailiff:** Well Members, we go to the vote on this amendment, which is to delete and replace Proposition 16, moved by Deputy De Lisle, seconded by Deputy Laurie Queripel. All those in favour; those against.

Members voted Contre.

2810 **The Deputy Bailiff:** I declare that lost.

Chief Minister, I turn to you to reply on behalf of the Policy Council to the debate in respect of the amendment moved by Deputy Brouard, seconded by Deputy Ogier.

2815 **Deputy Harwood:** Thank you, sir.

Whilst acknowledging that the amendment proposed by Deputies Brouard and Ogier has less rigidity than the previous amendment I still urge Members to vote against it.

2820 It introduces references to compassionate or other special circumstances. We have already discussed, I think, concerns around that phraseology. It does not give certainty, for people living in Guernsey... People coming to live in Guernsey need to know with certainty that, should something unforeseen happen, they can assist in looking after their immediate family members in their own home. That would seem to be a very reasonable proposition. They need that certainty.

To refer back to a compassionate discretion creates a level of complexity. It will create a level of additional administrative costs, but above all, it lacks transparency and in particular lacks the certainty.

2825 The amendment will bring that uncertainty into the system and again, I suggest into a system for no apparent gain, given that we already recognise the ability for people to bring in the wider selection, as defined in paragraph 14 of the Proposition.

I therefore, sir, again urge Members to vote against this amendment.

2830 **The Deputy Bailiff:** Thank you, Chief Minister.

I invite Deputy Brouard to close the debate on the amendment moved by him and Deputy Ogier.

Deputy Brouard: Thank you, sir.

2835 One of the dangers of running two debates together is the fact that you get, in this particular one, some views that are quite far at the edges and some in the middle ground and some on the other edge. People speak once and they speak generally, once they have got themselves into that mode over the most daring amendment, they put themselves in the position, work themselves up and, of course, they are then stuck with trying to come back down to the middle ground. So, I am ending up fighting shadows and putting out fires that I did not really light in the first place.

2840 Deputy Duquemin, the other person is whoever you want to make them to be. You can make, in your mind, the father-in-law that is coming in could be a fantastic head teacher of a school in England and will take up a job as a head teacher over here as well; or the father-in-law could be coming here and be absolutely of not much use to the Island, apart from to the family and they did not particularly want to bring him, but he said he wanted to come. You can colour the picture, you can make whoever it is you want to be whatever argument you want to make it.

2845 Deputy Conder, thanks very much for what you said about the unemployed. I think you are absolutely right. It is the skilled... We have got a very small number and it is just cracking what necessary efforts we need for those particular individuals.

2850 But, for me, there is no problem for his children because the idea is it is the person who has got the job, got the one Work Permit, they can bring their partner or spouse and their children. So all their children can come along quite happily. That is something I will come back to...

2855 Deputy Green, you are absolutely right: that is picking up something that I said was, yes, the numbers are small, but that can work both ways. It is a small number, therefore it is not much of a problem; it is a small number, therefore it is not too much of a problem to actually deal with it.

2860 Deputy Hadley mentioned about barriers and treating people equally. Yes, it does get difficult. We have got families over here where the cousins used to live next door to each other and they used to play together: does that mean if this particular family comes over from, say – I don't know, let's pick a country – England (*Laughter*) and their cousins live next to them there, they will not be able to play together, so are we being unfair by not allowing them to bring their cousins, who are living in the next door house to them in England?

You have got to draw a line somewhere and where that line is, is that difficult decision that we take. Our rights are affected every day by all sorts of different things. I may be a perfect driver at 16, but I cannot get a licence. We put barriers in our society all the time.

2865 Deputy Le Tocq mentioned something, one bit of a point I just want to take up, which was splitting the family unit. If the family unit is already living as the grandfather and the parents and the parents of the person who has got the job over here, well, that is their unit now and under the compassionate part, that would be how I would see it. It is when they deliberately decide to think, 'Oh, actually, grandpa will sell his home there and come and join us' – that is where I am thinking, 'Why would we want to have that, when the person is here on a temporary Work Permit to work in Guernsey?'

2870 Thank you, Deputy Brehaut, Deputy Ogier for your support and a cracking speech by Deputy Ogier, as usual.

Compassionate, I will come back to in a second. That is from Deputy Wilkie.

2875 And Deputy Gillson, again, very well said.

2880 Now, Deputy Perrot... and most lawyers do, when arguments are going a bit iffy, we raise the Health and Safety card, and that could actually be, really, the Health and Safety card, or it is the legal thing, 'It's going to be too difficult, too awkward...' But compassionate grounds happen today, happened yesterday and will probably happen tomorrow. Even under the Policy Council rules, there will be boundaries that someone will be pushing for, so there will always be someone over here, in a Licence holder's family, for some compassionate reason. Whether we legislate now for it, or not, there will always be those special circumstances. Luckily, I got a legal person to quickly tell me what they were, and it is not in lawyer's speak so... It is:

2885 'other than the ordinary, uncommon, unusual, distinct, particular or distinctive'.

Deputy Perrot: That's helpful. (*Laughter*)

2890 **Deputy Brouard:** Deputy Jones, the elderly parents, I think it is slightly exaggerated, but the whole of this idea is taking a step back. We are trying to *manage the population*. We cannot manage the population with the tap turned full on. I just do not understand that.

I would ask all Members to say, 'We welcome people who come to work in the Island: bring your wives your husband, whatever and your children and, if your circumstances change and there is a need for you to bring another member of family with you, we will let you.' That is what we

2895 are saying. We are saying, 'Knock on the door first; it is not a right'. I do not think that is unfair, in a society like ourselves.

There are lots of things I cannot do, lots of countries I cannot go to, lots of places that will not let me in, but – (*Laughter and interjection*) I think, today, we should, if we are really serious about managing our population and making hard decisions... It is very easy to say, 'everybody comes in'; it is a lot harder if you start putting lines in the sand.

2900 So let us be adult enough as the States and start putting a few lines in the sand. Please support the amendment.

Thank you, sir.

2905 **The Deputy Bailiff:** Members, I move to the vote on the amendment proposed by Deputy Brouard, seconded by Deputy Ogier to replace Proposition 16 –

Deputy Lowe: Can we have a recorded vote, please?

2910 **The Deputy Bailiff:** – and we will have a recorded vote on that, as there has been a request.

There was a recorded vote.

2915 **The Deputy Bailiff:** Members of the States, we will await the voting in respect of that amendment but, in the meantime as before, we will move on to the next amendment on the list and that is to be proposed by Deputy Ogier and to be seconded by Deputy Brehaut. This is to add some wording to Proposition 35.

So, Deputy Ogier.

2920 **Deputy Trott:** Sir, may I, before my friend speaks, make a request that it might be appropriate to take a short comfort break, on the grounds that the Assembly is deficient in numbers, still quorate, but a break on such a hot summer's afternoon might be appropriate, sir?

2925 **The Deputy Bailiff:** Well, I will put it to the Members that are here. I am not minded to, I have to say, but I will go with the majority of you. Those in favour of a short break; those against.

Members voted Contre.

The Deputy Bailiff: Then we will continue. Deputy Ogier, please. (*Laughter*)

2930 **Deputy Ogier:** Thank you, sir.

This amendment is asking the Population Group, the Policy Council, to consider the ramifications and surrounding policies concerning the idea of revoking an Employment Permit in order to prevent crime or disorder.

2935 In the majority of cases, this would already be covered under the existing proposals. A permit is issued to a named person, at a particular address, for a particular job. Were that person to commit a serious enough crime and be in prison, they would no longer be at a particular address or in their particular job and the Permit would lapse or cease to be valid, I am told by Housing Department staff.

2940 However, should the offence or offences not be of a detainable nature and should a string of these offences be committed, there is little we can do.

Say someone commits a drink-driving offence one month, the next month they are in court for assault and a month after for theft, I believe we need to be able to say, in certain circumstances, 'Thank you for coming to work on our Island and helping us out, but we will take it from here, thank you very much.' (*Laughter*)

2945 We are empowered to do this in the interests of public safety or the prevention of disorder or crime. So what this amendment does is to ask the Policy Council to give thought as to how we can weigh up the criminal activity of a Permit holder, take all factors into consideration, such as the length of stay, family presence and other litigating factors, come to a conclusion whether this Island is better off without a particular habitual offender, with a string of offences to their name, or whether their continued presence continues to be in the public interest.

2950 International protocols allow us to take action to prevent disorder or crime, which is why we are able to contemplate this. Now, the question for this Assembly here today is: do we believe we should have some way of revoking a Permit once issued, provision for which does not appear in

2955 today's Report? And I think we *should* have the ability to revoke a Permit, under certain circumstances.

The next question is: should we look at a way we can legitimately revoke an Employment Permit for habitual offenders, those who are in and out of the courts? Again, I think, we should have the power to revoke licences in those types of circumstances.

2960 This amendment is not about laying down the law here today. If this amendment is passed, we will be saying to the Policy Council that this Assembly desires some control in this area, please go away, take advice, discuss the ramifications and return to us with the results of your deliberations as to how best implement this Assembly's wishes.

2965 The Policy Council will spend time weighing up the pros and cons, the way we adhere with international agreements etc. We need not spend valuable time today in debate, discussing protocols and agreements. That is not a matter for today. We need not second guess what the actual outcome of those discussions might be. We are certainly allowed to act to prevent disorder or crime, and we can act to protect public safety. What is before us today is simply the question, if there is someone whose continued presence is regarded as contrary to the public interest due to the nature of their criminal offences, do we want the Policy Council to consider a way to revoke their Employment Permit?

2970

I will go first: yes.

Amendment:

2975 *To insert at the end of the words in Proposition 35 “; and that consideration should be given to revoking an employment permit whose holder is convicted of a criminal offence of such a nature, or in such circumstances, that his continued residence in Guernsey is regarded as contrary to the public interest”.*

2980 **The Deputy Bailiff:** Deputy Brehaut, do you formally second – ?

Deputy Brehaut: May I second it and speak now, sir?

The Deputy Bailiff: Yes, of course you can.

2985 **Deputy Brehaut:** Thank you.

I am speaking early, sir, because I was guilty/responsible yesterday for accusing other people of being xenophobic and racist and I want to shoot those foxes while they are sniffing around the ground of this amendment, because some may read this amendment and think of 'stranger danger' and Guernsey only imports its criminals when, in fact, we know that we do not need to do that at all; we seem to manage to home grow a lot of them.

2990

But I am... and while I am on my feet I just wanted to thank... well, *praise* Deputy Laurie Queripel for his last speech, demonstrating that, sometimes, compassion takes courage and that, sometimes, you do need to be firm to get the best outcome. I think I would have that spirit in mind with this amendment.

2995 I am a firm believer in the rehabilitation of offenders – a *firm* believer. I think that people are clearly capable of change, and if you look at the profile of people who have become disengaged with society, disaffected, unsociable and embark on criminal activity, broadly speaking, it is the 18-to-25-year-olds – there is a bandwidth, if you like, where there is that activity.

3000

What this amendment seeks to do is acknowledge that Guernsey needs people, but if people are here and they do commit an offence like drunk in charge one month, several months later they then are involved in an assault, and if there is a pattern to this, then they should consider moving on and that it could become expensive for Guernsey and Guernsey wants to discourage that expense imposed on our services, and the expense socially.

3005

I stress, whether you are from North Acton or North Africa it does not make any difference. If you do not behave appropriately and there is a clear pattern, then you really need to be thinking about moving on, thank you.

Not carried – Pour 20, Contre 25, Abstained 0, Not Present 2

POUR

Deputy Quin
Deputy Brehaut
Deputy Domaille
Deputy Le Clerc
Deputy Gollop

CONTRE

Deputy Soulsby
Deputy Sillars
Deputy Luxon
Deputy O'Hara
Deputy Hadley

ABSTAINED

None

NOT PRESENT

Deputy Le Pelley
Deputy Collins

Deputy Storey	Alderney Rep. Jean
Deputy Lester Queripel	Alderney Rep. Arditti
Deputy Gillson	Deputy Harwood
Deputy Ogier	Deputy Kuttelwascher
Deputy Fallaize	Deputy Langlois
Deputy David Jones	Deputy Robert Jones
Deputy Laurie Queripel	Deputy Sherbourne
Deputy Lowe	Deputy Conder
Deputy Paint	Deputy Bebb
Deputy Adam	Deputy St Pier
Deputy Perrot	Deputy Stewart
Deputy Brouard	Deputy Trott
Deputy Wilkie	Deputy Le Lièvre
Deputy De Lisle	Deputy Spruce
Deputy Burford	Deputy Duquemin
	Deputy Green
	Deputy Dorey
	Deputy Le Tocq
	Deputy James
	Deputy Inglis

3010

The Deputy Bailiff: Before I call anyone else to speak in this debate, I will deal with the voting on the amendment moved by Deputy Brouard and seconded by Deputy Ogier. There voted *Pour 20, Contre 25*, so I declare that amendment lost and return the voting slip.

3015

Deputy David Jones, followed by Deputy Luxon.

Deputy David Jones: Thank you, Mr Deputy Bailiff.

3020

I hope people do support this amendment. For too many years, and talking to the general public out there, they get very concerned when recidivists keep going back and forwards to the courts who are not people who have strong connections with this Island. We have heard comments over the years from frustrated magistrates and others who make public comments, actually, that they wish that there were ways that people could return to their countries of origin, when they commit crime time after time.

3025

This, actually, for me, as Deputy Ogier has said, going back to the Policy Council but at the end of the day, the discretion will be down to the court. We can only put a tool in the box that the courts can use but, at the end of the day, whether that tool is used or not must be the discretion of the court. It cannot be anybody else's decision.

But let us at least give our courts a fighting chance of having a tool that they can impose should they feel it necessary to do so.

3030

So, I hope, Members do support this. This, as I say, is an amendment to my mind that is long overdue, a piece of legislation that is long overdue and I fully support it.

The Procureur: I just need to clarify something, if I may there sir.

3035

The reason why Deputy Ogier has worded his amendment in the way that he has, rather than saying that the Court should be given the power to revoke Employment Permits, is because there are, of course, a lot of issues around the revocation of an Employment Permit which the court convicting will not be aware of. The court will only have the evidence relevant to the commission or otherwise of the offence and relevant to sentencing.

3040

So we worded, deliberately, the Proposition in that general way, so that following a conviction, then the appropriate agency, whichever that may be, will – and it may be on the recommendation of the court, as in the case of a deportation – consider the issues.

The Deputy Bailiff: Thank you for that helpful clarification. Why have you risen to your feet, Deputy Trott?

3045

Deputy Trott: I wanted to ask the Procureur a question.

The Deputy Bailiff: Will you do that as part of your speech?

3050

Deputy Trott: That is not normal process, but of course.

The Deputy Bailiff: I did not know whether you were going to make a speech or whether it arose out of what the Procureur has just advised the assembly.

Deputy Trott: It depends on what the Procureur says, whether or not... *[Inaudible]*

3055 **The Deputy Bailiff:** I will call you to ask the question now then, Deputy Trott.

Deputy Trott: Thank you, sir.

The question is this, the amendment refers to 'Employment Permit' and I wanted to know, sir, if my interpretation is correct.

3060 A rentier person, someone living in the Open Market who is non-employed, if they committed an offence that would cause someone who had an Employment Permit to have it rescinded, they would be, if you like, outwith the capture of this so the consequence, in my interpretation, would be that someone who lives in the Open Market would not be sent away whereas someone who was not in the Open Market and, by definition, was employed would be.

3065 If that is the case, the question I would like to ask is, is that acceptable in law under ECHR issues?

The Deputy Bailiff: Mr Procureur, are you able to answer that now or do you...?

3070 **The Procureur:** Yes, I am wondering what answer I can best give, which would discourage Deputy Trott from making a speech, but – *(Laughter)*

The straight answer is that it is possible to have a special regime attached to those who require Permits, to live in a jurisdiction, provided that the regime is proportionate and right.

3075 What we have spotted though, and it is a very good point, is that to have a regime which says, 'If you are here on Employment Permit, that can be rescinded following a conviction, but if you are here in exactly corresponding circumstances, but you do not need an Employment Permit, because you are in one of these houses of multiple occupation', or whatever it is, then there would be a disjointedness about that system which could be challengeable and, anyway, simply appears unfair.

3080 So we have recognised that when the Policy Council returns to the States with a further report, that is going to have to be looked into should this amendment be carried.

I hope that is of some help, Deputy Trott.

3085 **The Deputy Bailiff:** Deputy Luxon, to be followed by Deputy Robert Jones.

Deputy Luxon: Sir, just briefly, I have no hesitation in supporting Deputy Ogier's amendment.

3090 Yesterday, I did say that the Population Policy Group did want to see as few amendments as possible that would risk almost making this new regime more complicated and almost a hybrid; but, in actual fact, when you look in calm assessment of the principle here that Deputy Ogier is trying to achieve, I think it is reasonable, fair and I think that the majority of the people of Guernsey would recognise that if people coming to work in Guernsey on an Employment Permit did breach our rules and failed to abide by our cultural expectations, then if it is possible for our law officers to develop legislation that would allow this to be enacted, I fully support it. I would certainly urge other Members to give equal consideration to supporting it.

3095 Thank you.

The Deputy Bailiff: Deputy Robert Jones, followed by Deputy Soulsby.

3100 **Deputy Robert Jones:** Now, this is one amendment, when looking through the bundle, that I was minded to support and I think that the questions that have already been asked of HM Procureur highlight the need, I think, that some consideration should be done in relation to the issues raised by Deputy Ogier.

3105 One thing that I did pick up on, when I did a little bit of background research on this – I did not do a great deal, but I need to do a lot more – but back in January, we were told by the Chief of Police that, in relation, in particular, to non-British citizens convicted of serious offences in the Bailiwick, they were all risking being recommended for deportation.

3110 I also welcomed at the time that, I think the Chief of Police said, that policy is now being extended to include those who persistently commit lower level criminality, such as shoplifting, drunk and disorderly and various traffic offenses, but what we do have to bear in mind and, I think, this flows through the theme of a lot of the debates that we have, that the vast majority of non-British citizens coming to the Island are law abiding and make a valuable contribution to the Island.

3115 But I think it is right that we do now have a look at how we deal with those that consistently fail to comply with the law and I welcome the news of the Chief of Police and the Police were recommending for deportation those who were staring to, I guess, persistently cause problems.

I welcome this amendment and I will be supporting it.

3120 **The Deputy Bailiff:** Deputy Soulsby.

Deputy Soulsby: Sir, yes, I am minded to support this amendment, but I am not quite sure how effective or how relevant it would be. Under a new Permit regime, if some commits such a heinous crime that it requires them to be in prison or it causes problems in their job, I would have thought that it is much more likely that they would lose their job and hence their Permit and would have to leave the Island anyway.

3125 So I am really not quite sure what the actual amendment will add on top of that.

The Deputy Bailiff: Deputy Gollop, Deputy Fallaize and Deputy Le Tocq in that order.

3130 **Deputy Gollop:** Sir, it is very easy, this is like shooting fish in a barrel really, for this amendment to get a good hearing and probably get passed. But I would actually caution against it, to be honest, because it carries within it more problems than superficially seen obvious.

3135 Deputy Robert Jones has already identified some issues, such as that European nationals are already covered and so, generally speaking, are Commonwealth nationals and people globally, because they will come in through an immigration system. So this is, possibly, being targeted, really, at British or other Channel Islands or wherever.

3140 As has already been pointed out by Deputy Soulsby, the criminal offence would make it likely they would lose their job. It talks about an Employment Permit, but what about those here who are on Permits for other reasons such as, being in a relationship of some kind or, as has been mentioned already by Deputy Trott, on the Open Market? At the moment, the current position is that the Housing Authority, or the Housing Department as I understand it, has the power to revoke a licence. We are changing, moving away from a housing structure to this, but it will no longer be a political Department; it will be a Statutory Office.

3145 So I am not quite sure why the court keeps on being mentioned in the context of this, because it is unlikely, I would suspect, to be a court order, for some of the reasons the Procureur has mentioned.

You also would have the anomaly here that the revocation of an Employment Permit might have a knock-on consequential effect on the individual's immediate family, who have moved over with them, if that was the case, and what their rights or situation would be is not laid clear in this.

3150 My suspicion on this is that it is a kind of a gesture to a populist view that people who commit criminal acts have no place in this community and indeed for the more serious offences that would be a desirable outcome, but I do not think this is the right mechanism for achieving that.

3155 **The Deputy Bailiff:** Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

3160 I have not dissimilar concerns and, actually, echo what Deputy Soulsby said. I wonder why, given that there has obviously been some thought about the precise wording of this amendment, why the words 'revoking an Employment Permit' were used, because it seems to me that, in the case of somebody who has an Employment Permit, as Deputy Soulsby says, it is more likely that the person would lose their job, if they were convicted of a very serious offence, in which case their right to be here under that Permit would be rescinded anyway or, if they committed a very serious offence, they might find themselves in prison and their Permit would run out before the time when they were released; whereas there are, potentially, other people who could be here but not have the Qualified Resident status, who could commit criminal offences, which are serious, but may not come under that category of an employment permit.

3165 Somebody, for example, who is a child or the parents or parents-in-law of a Permit holder could commit an offence but, under the precise terms of this amendment, there would be no provision in the regime for that person to have their right to be here revoked.

3170 So, I just wonder why, in the amendment, words were not used, such as, 'consideration should be given to revoking...' I do not know, 'revoking the right of residence to a person who is convicted of a criminal offence' or something like that. I wonder whether the intention here is simply to give the Policy Council some generally direction that the States wishes to see some provision in the new law for Permits of one kind or another to be revoked in the event that serious

3175 criminal offences are committed; or whether there is a specific reason why the term ‘Employment Permit’ was chosen, as opposed to the kind of term that I have just referred to, because I think that either we have to insert a provision in the law which applies a bit more widely and might become more relevant than what is in this amendment or potentially this is a minefield which we have to leave well alone. So if Deputy Ogier could refer to that when he replies, I would be grateful.

3180 But the other question I have, and excuse my ignorance, is there no provision, or is there no plan to have any provision in the event that this amendment is not carried, for whichever body it is that is put in charge of the population regime, to revoke a person’s Permit? Are we in the situation where, if a person is grant a five-year Employment Permit, other than the person ceasing that employment, there is absolutely no way, under any circumstances that that Permit can be revoked?

3185 I do not know whether... that probably is not a question for Deputy Ogier; it might be a question for the Chief Minister or for Her Majesty’s Procureur, but this amendment, rather implies that there is absolutely no discretion envisaged in this regime to revoke an Employment Permit or any other type of Permit, even in the case of a very, very serious criminal offence being committed.

3190 So, could we just have some clarification about whether that is what is envisaged as the regime stands, please?

The Deputy Bailiff: Mr Procureur, before I call Deputy Le Tocq, can you clarify on that, please?

3195 **The Procureur:** Yes, gladly. The fact is that an Employment Permit is, probably, the only type of Permit which is dependent on certain factors continuing to apply. That is to say, the holder of the Permit will only be entitled to reside in Guernsey, whilst he or she is employed in a particular job and possibly is resident at a particular address, depending on the nature of the Permit – if it is a Short Term Permit and so on and so forth.

3200 So, if somebody commits, what Deputy Fallaize describes as a ‘very, very serious offence’, that person is going to go to prison. The condition of the Employment Permit will no longer be met and it will be revoked.

3205 But there is certainly no provision in the proposals for the statutory authority or whoever it might be to look at Employment Permits in issue from time to time and decide that, ‘Oh, actually the circumstances have rather changed, we have got rather more bus drivers than we used to have, so we will revoke it, thank you very much.’ That is not part of the proposals.

I hope that goes, perhaps, some way to dealing with the concerns raised by Deputy Soulsby, as well. Yes, of course, very serious offences – the Employment Permit will come to an end.

3210 I think what is envisaged here, although the Policy Council will flesh this out, having given it further consideration and coming back with a further report, is the sort of circumstance that somebody else was referring to in the case of non-EU nationals who do not go to prison because their offences are not ‘very, very serious’ but the community is getting irritated with them, because they have a string of relatively minor offences and it seems that they will, maybe, just carry on doing this, unless they are asked to leave. I think those are the sorts of circumstances possibly where this is set to bite.

3215 The third thing, because it is nice to do thing in threes, is that consideration has not been given, at this stage, by the Policy Council to the revocation of Residence Permits of any nature, either on the basis of criminal convictions or otherwise. Of course, those are the only other types of residence. My own view is that a regime which allows some authority to expel from the Island, effectively, Permanent Residents, Qualified Residents, Open Market Residents, all and sundry, because they have committed criminal offences would probably be entirely disproportionate, and I suspect not acceptable to either the general population or this Assembly.

3225 **The Deputy Bailiff:** Deputy Le Tocq.

Deputy Le Tocq: Sir, I will be brief because most of the other speakers before you called me and now the learned Procureur has filled in on most of the things that I was going to touch on.

3230 This is what seems like a fairly benign amendment to being with. I think it is somewhat superfluous, sir, in that we will be legislating – not that it is impossible to do – for such a small number of potential eventualities that it would be deemed only, really, pandering to actually the idea that, sometimes out there, most of the offenders in Guernsey come from somewhere else. I want to actually clear that: there is no evidence whatsoever that we need legislation of this sort.

3235 It would really be ones and twos over a very long period of time, that I can imagine, because they would be caught up in other ways. It is certainly something that the Criminal Justice Working

Party could look at but, as the Procureur had pointed out and, in fact, I think Deputy Fallaize as well, sir, once an individual would be in that system, it is possible to use other means and we are currently doing that anyway, particularly if they end up in custody to deport or rehome them is certainly within the realms of possibility.

3240

But the numbers we are talking about at the moment are so small, in comparison to the numbers of locals we are talking about, and there again there is the issue that Deputy Trott mentioned before. I think sir, if we are going to look at this we will have to realise the amount of time we are spending, potentially legislating for a miniscule number of people.

3245

The Deputy Bailiff: Deputy Lester Queripel.

Deputy Lester Queripel: Thank you, sir.

3250

Sir, we have a duty to provide as safe an environment as we possibly can for our fellow Islanders, and we not only have a duty and a responsibility to ensure the wellbeing of the community, but the community have every right to feel safe and secure.

By supporting this amendment we will be sending out a very clear message to the community that we are fulfilling our duty to provide as safe an environment as we possibly can; and also a very clear message to any repeat offenders that we simply cannot afford to allow them to stay here.

3255

Thank you, sir.

The Deputy Bailiff: Deputy St Pier, followed by Deputy Storey.

3260

Deputy St Pier: Sir, just a question, really, which I would be grateful if, perhaps, Deputy Ogier could respond to in his summing up.

3265

Based on the information given by Her Majesty's Procureur really, not least in response to Deputy Trott's question, my concern is that whilst this amendment does appear to be quite attractive, my concern would be, if it is only to apply to Employment Permits then, if the end result that individuals caught up by this regime would simply move into the Open Market, it could discredit the whole regime.

I am just wondering whether consideration has been given to that. I would be grateful if Deputy Ogier could respond to that, sir.

3270

The Deputy Bailiff: Deputy Storey, I said I would call next, and then Deputy Trott and then Deputy Sherbourne.

Deputy Storey: Thank you, sir.

3275

My point is more of a question, I think. It arises, in part, from the amendment that we are debating but when I read through the original Propositions, Proposition 35 effectively says that we are going to check the criminal records of people who apply for a Permit.

I assume from that, although it does not say so, that if the criminal record check shows a criminal record of a particularly severe kind, then we would refuse to issue an Employment Permit. That is the implication, although it does not actually say so in the recommendations to the Report.

3280

Now, if that is the case, then it seems manifestly unfair that somebody should be refused a Permit in the first place, because of a particular conviction, but somebody on the Island that commits exactly the same offence should not have their Permit revoked.

3285

So, on the basis of that, it would seem to me that the amendment that has been placed is perfectly reasonable. It is commensurate with the circumstances and is certainly not treating one particular offence differently from another. Therefore, I am inclined to support the amendment, even though the original recommendation 35 does not spell out the fact that the Permit would be refused, or may be refused, as a result of what might be found in the criminal conviction checks.

3290

Perhaps, the Chief Minister might include his interpretation of that in his reply to this debate, sir.

Thank you.

The Deputy Bailiff: Deputy Trott.

3295

Deputy Trott: Sir, as is often said in this House, 'the devil is in the detail', and as we have been debating this matter a thought has crossed my mind, with regard to a simple scenario where the holder of an Employment Permit that has a Residence Permit that enables his parents to live

3300 with him, commits a crime that requires or it is determined that we see the Employment Permit revoked, what happens to those parents who are living with him under the Residence Permit? After all, they are not, in any way, responsible for the behaviour of their adult child, in this case, but they would be compromised as a result of the crimes committed by that individual. I think what it does, for me, is it re-emphasises the point that others have made of what an absolute *minefield* amendments of this nature are.

3305 As my friend and colleague, Deputy Ogier, will tell you, I came into this Assembly this afternoon expecting to support it, but I have actually heard enough to cast sufficient doubt, in my mind, that I now have no option but to vote against it.

The Deputy Bailiff: Deputy Sherbourne.

3310 **Deputy Sherbourne:** Thank you, sir.

I feel very uncomfortable with this amendment, I believe that it is very attractive on the surface, but I feel that the points made by Deputy Le Tocq are well worth considering. Is it really necessary?

3315 I assume that we already have empowered our judges to use this sanction in extremes cases, surely we should be looking at ways of actual broadening, maybe, the base of that decision making, encouraging judges to consider that more, rather than new legislation in Population Control. If we actually have the tools in the box – that term was used quite a bit today – then we must use them and maybe we need to revisit, through our criminal justice system, how those sanctions are actually applied.

3320 So I will find this very difficult to support, sir.

The Deputy Bailiff: Deputy Brouard.

Deputy Brouard: Thank you, sir.

3325 Just, on a fairly minor matter, but, perhaps, Her Majesty's Procureur might be able to help. I think Deputy St Pier mentioned that one of the dangers of this might that when someone is here under a Work Permit that Work Permit, because of criminal activity, is then revoked and then they move to the Open Market. I believe, under the proposals, the Open Market would need a criminal convictions check, at which point, they could go home.

3330 **The Deputy Bailiff:** Mr Procureur, can you help on what Proposition 35 means? It does refer to moving to the Island, as opposed to staying on the Island.

3335 **The Procureur:** That is absolutely the thought that was on my mind, but, as I said earlier on, we recognise that there are areas around multiple occupancy of Open Market property and Deputy St Pier's point is a graphic illustration. It may be that in developing the proposals something needs to be brought back to the Assembly to address that particular situation.

The Deputy Bailiff: Deputy Bebb.

3340 **Deputy Bebb:** Members, I have heard a number of you speak in order to say that you found this originally quite attractive and have now moved away from it, such as Deputy Trott.

I would ask you to, once again, read the Proposition because, of all the Propositions so far, which I have objected to every single one of them, this the first that I am going to actually support.

3345 All it says is, 'and that consideration should be given to revoking an Employment Permit'. Surely having had the debate today, we are all considering it and therefore this amendment is simply asking that due consideration be given. There is nothing that will prevent the Policy Council from returning and stating that, 'in due reflection, this is far too complex an area and it will be dealt with in a different law'; but there is nothing, at the same time, there is no reason for us to vote against this because, realistically, I would like to have that advice, at the very least, from the Policy Council, when they come back with more detailed proposals.

3350 Therefore, please support this amendment, because I think that the debate today has shown that sufficient interest is there for consideration to be given.
Thank you.

3355 **The Deputy Bailiff:** Alderney Representative Jean.

Alderney Representative Jean: Thank you, sir.

3360 In Alderney, we have had a Work Permit system for many years. Usually, what happens is a check is carried out by the Police on receipt of the Permit for the various places where these people are going to work and, if it is not up to par, the Permit is refused by the PC Committee. That has worked for many, many years. But you do have a situation, when the information comes in, that you have to make a judgement at that time and, if the record occurred a very very long time ago, of a minor nature, usually you have to let it go, because maybe after all that time these offences occurred when they were in their teens, and they are applying for the Permit in their late 20's or 30's, well, it is a matter then of the discretion of the Committee. It always seems to have worked very well.

3365 So what you would have to implement with this, probably, I think, would be a proper checking system – checking everything as it comes in and that would be the way to do it.

3370 Thank you, sir. Thank you.

The Deputy Bailiff: I do not see anyone else rising to speak in this debate, so I will turn to the Chief Minister to reply on behalf of the Policy Council. (*Laughter*)

3375 **Deputy Harwood:** Thank you, sir – apologies to Deputy Ogier.

First of all, sir, can I just say I agree with Deputy Storey's interpretation of paragraph 35, that there will be a possibility of refusing a Permit, on the criminal information checks.

3380 Sir, I think this debate has illustrated complexities that we are going to be surrounded by when trying to consider this particular issue. What I would say is certainly Policy Council could be asked to give consideration, but that consideration will actually also imply a considerable resource application, in order to follow through to bring a report back to this Assembly.

I question, and Deputy Le Tocq has already alluded to this, whether, in fact, the issue does justify that element of resource implication. As Deputy Trott has said, I think we are moving into a minefield. I am not sure we are ever going to come back, if we have to come back, with a statutory outcome. There is already confusion between matters of deportation by a court, the matter of revocation of a Permit may or may not lead to expulsion, whether it leads to deportation.

3385 We are moving into a very dangerous... I think it is a minefield, it is a very deep minefield and it is one that is going to require a considerable amount of resource implication and I question whether, at the end of the day, that resource will be appropriately or validly used, whether it will be value for money.

3390 I therefore caution against this particular amendment. I will, personally, be voting against it, sir.

The Deputy Bailiff: I invite Deputy Ogier, then, to reply to the debate on the amendment moved by him and Deputy Brehaut.

3395 **Deputy Ogier:** Thank you, sir, and thank you to my seconder, Deputy Brehaut, who made an excellent explanatory speech at the start.

3400 Today, I did not want to get too bogged down into a discussion on details today, as we simply do not have the information in front of us to make a decision on this particular issue one way or the other. We do not know the protocols, we do not know all the legislation, we do not know the exact steps that we would have to take.

I wanted to task Policy Council to discuss all the ramifications and make the recommendations accordingly. As Her Majesty's Procureur said, these are the sorts of issues that the Population Group or the Policy Council will have to deal with.

3405 Deputy Soulsby said that they would lose their job through prison anyway, but my amendment acknowledges, and in my opening speech I acknowledged, that people who commit crimes of a harder nature will be imprisoned and their Employment Permits will cease and be revoked, because of the nature of their incarceration. This amendment will pick up those who are, perhaps, under that, sort of, radar who are more habitual and repeat offenders, who do not do anything that will fall foul of their Employment Permit *per se*, but nevertheless whose continued presence on the Island would not be considered in our best interests.

3410 Deputy Gollop has reservations and there are many considerations to deal with, but the best place for those deliberations is in a well researched Policy Council Population Group meeting, rather than on the floor of the Assembly. I do not want to be too prescriptive here today. I want to give the Policy Council direction from the Assembly to investigate the spirit of our intention, which is to ensure we have a way to deal with repeat offenders, where their continued presence here is contrary to the public interest. It may be only small numbers of offenders but, as we all know from recent actions or actions throughout our life, if you leave any sort of loophole for any

3420 number of offenders a large impact can be caused by a small number of repeat offenders. I want to have the ability to deal with those repeat offenders.

What we could be in danger today, and I do not think we are, we could be in danger of failing to support a plan of action because we have some doubts. The reason we have those doubts is because we do not have all the information in front of us, which is why I am not asking this Assembly to make a decision one way or the other. I acknowledge that there are many different considerations that we have to weigh up and I would like to task the Policy Council's Population Group, who have broken the back of the Population Management Regime, to go away and give more consideration to these issues. To deal with the information, to deal with the legislation, not in the absence of information but in the surfeit of it.

3430 If they come back with, 'it is all covered, we can handle it, we can take care of this in another way, it is already being done as part of this. Employment Permits can be revoked because of that, we do not have to do it this way,' then fine, great. We have done our job, we have seen a loophole, we have tasked someone to look at it, policy will be covered and governance will be done – prefect. But why run a risk?

3435 It is not to be minutely considered here today without information. Let us get the Population Group to go away and think about it and to come back with exactly what they propose, after they have looked at the information and given detailed consideration.

Thank you.

3440 **The Deputy Bailiff:** We move to the vote on the amendment to add words to Proposition 35, moved by Deputy Ogier, seconded by Deputy Brehaut.

Deputy Lowe: Can I have a recorded vote, please?

3445 **The Deputy Bailiff:** And we will have a recorded vote. Thank you, Deputy Lowe.

There was a recorded vote.

3450 **The Deputy Bailiff:** Well, Members, I will declare the results in due course, but it looks as though that one carried.

The next amendment in our running order in our pack is an amendment that has been proposed by Deputy Lester Queripel.

3455 **Deputy Lester Queripel:** Sir, after taking advice from Her Majesty's Procureur, my seconder Deputy Hunter Adam and I have decided that, even though our amendment is well intended, we would like to withdraw it, please, sir.

The Deputy Bailiff: Thank you very much. *(Applause)*

3460 In that case, we will turn over, swiftly, to the next amendment. Thank you, Deputy Lester Queripel, which is the amendment that is marked Amendment No. 2. This is being moved by Deputy Dorey and this is the one seconded by Deputy Brehaut, to insert Proposition 23A.

So I invite Deputy Dorey to speak to his amendment.

Deputy Hadley: Mr Bailiff, may I propose this be not debated pursuant to Rule 13(6)?

3465 **The Deputy Bailiff:** Is – *(Interjections and laughter)*

A Member: Sir, perhaps Deputy Hadley needs a comfort break. *(Laughter)*

3470 **The Deputy Bailiff:** Can I just check with you, Deputy Hadley, are you invoking Rule 13(6) or not?

Deputy Hadley: No.

3475 **The Deputy Bailiff:** No, very grateful then, Deputy Dorey, sorry about that.

Deputy Dorey: Thank you, Mr Deputy Bailiff.

Firstly, I would like to just remind States Members of the four parts of the Open Market, the four categories, which are: Part A, private houses and apartments; Part B, hotels and guest houses;

3480 Part C, nursing and residential homes; and Part D Open Market houses that are being used as lodging houses, and the lodges must have Housing Licences.

This amendment asks the Policy Council to report back to the States with proposals to restrict the occupation of Part A properties to the immediate family and any domestic staff employed by that household.

3485 When the report returns for these proposals, it will mean that Part A occupation will change from having no restrictions, to being restricted to owners or the principal tenants and their immediate family. We have spoken, at length, about the definition of the immediate family and it will be the same as the definition of immediate family for Licence holders and that is spouse, parents and parents-in-law, children and grandchildren.

3490 As well as being consistent with the Local Market Permit holders, it will also be consistent with the Open Market Parts B and C, where the owner or principal tenant or manager of hotels and guest houses and nursing and residential homes can accommodate immediate family members and any full time staff, but not and family members of staff, unless they themselves are full time staff.

It will also be consistent with Part D lodging houses, where the owner can accommodate immediate family members.

3495 Part A therefore stands out from all the other categories as the only part of the Open Market and the Local Market that is not restricted and they are meant to be private houses or apartments. Under the current proposed rules, if I, as a local, wanted to have a non-local aunt come and live in my household – this would not be the situation for me, as I and my wife are both local and in fact she is a distant cousin. *(Laughter)* **(A Member: Very local!)** *(Interjection)* I said distant.

3500 She could, this aunt or niece could only do so, if she had an Employment Permit, but if I lived in the Open Market, Part A, she would only need a Residence Permit which could be given on application. Is that not discrimination – discrimination against local people and Permit holders?

3505 In the debate on Wednesday, on my amendment, we heard many comments about discrimination and therefore, I look forward to all those Members who are against discrimination supporting this amendment.

3510 In 1990, the States agreed that when the Housing Authority returned with its 10-yearly review that would include reviewing who could be accommodated in Part A and in 1992, when the Housing Authority returned, they proposed that the occupation of Part A should be limited to spouse, parents and parents-in-law, children and grandchildren. If I now read from the 1992 Report, it says:

3515 ‘While the proposal will enable the Authority to control any misuse of the Open Market sector it will have no effect at all on the majority of Open Market dwellings where the householder will continue to accommodate his family and any domestic staff without hindrance. Consequently these measures should not diminish the attraction of the Open Market to rentiers whose contribution to the Island is well appreciated’.

The Advisory and Finance letter of comments in that 1992 Report says:

3520 ‘The Advisory and Finance Committee fully supports these proposals contained in the letter and in particular the greater controls that we introduced on those without residential qualifications who can reside in the Island. This policy is in line with the current strategic objectives confirmed by the states that the growth of population should be limited to as low a level as possible’.

3525 The point I am trying to make is that to restrict who lives in Part A is not a radical proposal as it was supported by A&F in 1992, and it was a means of controlling the population. Unfortunately the States did not support the proposals and the result is what we have today which, I can only say, is a mess – a mess of almost 1,000 unrelated adults living in multiple occupation that we have no control over how long they stay and where they work.

3530 The first objective for the new regime is that it needs to be as effective as possible in enabling the States to manage the size and make-up of the population. This cannot be delivered unless we have controls over Part A with 1597 properties and, as was said in the 1992 Report:

3535 ‘However this would generally require there to be a number of lodgers in residence and the Authority considers that if a large number of Open Market owners were to accommodate just one extra person in this way, the effect on the overall population level of the Island would be significant.’

Of course, that is what we have had, we have had a significant effect of 1000 people living in part A. The Consultation Report from 2011 on this option was split 50/50 on this issue.

3540 The amendment is only asking the Policy Council to report back to the States with proposals. It also asks them to take consideration of any domestic staff an occupier of Part A may wish to bring with them and would be solely employed in the household.

If we are going to stop Part A being misused again, we are going to have to have the same or similar controls in respect to family members who can live in Part A – as in the other part of the Open and Local Markets. Surely that is fair, is it not?

3545

Thank you.

Amendment:

To insert the following Proposition between Propositions 23 and 24:

3550

“23A. To direct the Policy Council to report back to the States of Deliberation at or before their meeting in June 2014 with proposals which will restrict the occupation of Part A properties (subject to any provisions considered necessary or expedient in respect of properties in use for the multiple occupation of unrelated adults) to the immediate family of the householder and any domestic staff employed solely in the service of that household.”.

3555

The Deputy Bailiff: Deputy Brehaut, do you formally second the amendment?

Deputy Brehaut: I would like to formally second sir, and reserve my right to speak.

3560

The Deputy Bailiff: Thank you very much.

Carried – Pour 36, Contre 8, Abstained 0, Not Present 3

POUR

Deputy Sillars
Deputy Luxon
Deputy O'Hara
Deputy Quin
Alderney Rep. Jean
Alderney Rep. Arditti
Deputy Brehaut
Deputy Domaille
Deputy Robert Jones
Deputy Le Clerc
Deputy Gollop
Deputy Conder
Deputy Storey
Deputy Bebb
Deputy Lester Queripel
Deputy St Pier
Deputy Stewart
Deputy Gillson
Deputy Ogier
Deputy Fallaize
Deputy David Jones
Deputy Laurie Queripel
Deputy Lowe
Deputy Le Lièvre
Deputy Spruce
Deputy Duquemin
Deputy Green
Deputy Dorey
Deputy Paint
Deputy James
Deputy Adam
Deputy Brouard
Deputy Wilkie
Deputy De Lisle
Deputy Burford
Deputy Inglis

CONTRE

Deputy Soulsby
Deputy Hadley
Deputy Harwood
Deputy Kuttelwascher
Deputy Sherbourne
Deputy Trott
Deputy Le Tocq
Deputy Perrot

ABSTAINED

None

NOT PRESENT

Deputy Langlois
Deputy Le Pelley
Deputy Collins

3565

The Deputy Bailiff: Before we go into debate on the amendment, let me announce the results on the amendment moved by Deputy Ogier, seconded by Deputy Brehaut, to insert words at the end of Proposition 35. There voted in favour 36, against 8, so I declare that amendment carried, and return the voting slip.

Who wishes to speak in this debate? Deputy Luxon.

3570

Deputy Luxon: Thank you, Mr Deputy Bailiff.

Sir, over this debate so far, we have seen many different amendment, some have been good, some would have been light touch. Sadly the next three amendments that we are going to look at are dangerous, dangerous and dangerous. I certainly will not be supporting any of them.

3575 Sir, when this Report was published two and a half years ago, this really did demonstrate the danger of unintended consequences. At no stage do I believe that the Group behind the authorship of this Report, with the officers, intended to impact in such a key area of our successful economy by destabilising the Open Market and that is what happened. It is difficult to actually measure the degree of impact it has had but in terms of the number of transactions, the number of new High Net Worth Individuals coming to the Island, there is no question at all that that has fallen and that
3580 fell because of uncertainty and real concern.

It has had direct financial impact in terms of the receipts that we have received from those transactions on those properties, but more than anything, for me, it actually sent out a message beyond our shores that Guernsey, quite possibly, was closed for business.

3585 The Open Market has been such a fundamental and successful part of our economic growth over many, many years and to destabilise it through unintended consequences was very regrettable. By my memory, I think there was a little bit of poor wording in the Report, but also then the reaction of various members of our community, including the media coverage, meant that if there was only a minor issue or concern within the Report, that certainly blew up to become something far more.

3590 I do not think any of us and I certainly do not think I should need to provide the evidence. I think we all know of the concerns and the real impact that that had.

I appreciate what Deputy Dorey is trying to achieve, but I am afraid I have to say this is one of the dangerous amendments that we have today and if we want to prevent ourselves entering into another two-and-a-half-year phase of uncertainty in one of the key areas where our economy can appear to be open for business and to generate financial revenues for the Island, to allow us to invest in our Social Service plans, please do not remotely think about supporting this amendment. It really is not worth it.

Thank you, sir.

3600 **The Deputy Bailiff:** Deputy Bebb.

Deputy Bebb: Thank you, *Monsieur le Député Bailli*.

I stand in order to object to this amendment in the strongest possible terms. Open Market, as far as I have always understood it, has been open. It has shown that Guernsey is open for business and it indeed welcomes with open arms those people who are willing to come here and are willing to actually work on the Island.

I first came to the Island and I lived in Open Market accommodation. I was not earning huge amounts of money because, at the beginning of any person's professional career, you generally do not; but I lived in what I now know is termed as a 'multiple dwelling, Part A Open Market house'.
3610 At the time, I just thought it was a bit like living in student accommodation and I did not object to it. I lived in a house where there was six of us. Each one of us was professional, each one was earning money, but could not afford the rental within one Open Market house on our own. And for us to remember that each one of us were gainfully employed, because the businesses in Guernsey require those skills... Therefore this type of amendment would restrict that layer of people coming
3615 to the Island and proving to be very economically beneficial to the Island.

There is one other term here that I also object to, in the most strongest term, and this, I know, is not Deputy Dorey, nor Deputy Brehaut's intention. However, in the explanatory note, you will notice that it says 'spouse'. Spouse, at this point in time, can only mean the convenience if you are married and we all know that, at this point in time, there is a section of our society that is excluded from being a spouse.

Now, I know that this is not the intention. However, I will not raise the opportunity to show that, once again, we are behind and it really does come to the point that the whole of this population debate *still* will impinge on the right of those people within the gay section of our community, who are not allowed the same freedoms as are afforded to the others and that the situation remains grey until we resolve the issue. Therefore I, once again, call on the Policy Council to properly invest in actually bringing forward legislation in that regard.

Members, it is not... I should maybe declare an interest. I currently live under Licence. I have another year to go before I am actually qualified as a local resident in my own right, and I do not know whether a Deputy comes as an essential employee on this Island – **(Deputy David Jones: No.)** *(Laughter)* Thank you, Deputy Jones for confirming!

But I am therefore in the position that should anything happen to my partner at this point in time, I may well have to go back into the Open Market and I, most definitely, could not afford to buy an Open Market house. Therefore I would, once again, seek to be living in what I now know is a, 'multiple dwelling, Open Market accommodation'.

3635 Therefore please, Members, if only for my own sake, if not for others', (*Laughter*) I would ask you to, rightly, reject this amendment.

Thank you.

3640 **The Deputy Bailiff:** Deputy Kuttelwascher.

Deputy Kuttelwascher: Sir, I just, at this stage, wish to declare an interest for this and the next two amendments. I shall be voting on all of them, insofar as I am a resident of a Part A Open Market dwelling. I do not have any unrelated residents joining us, my wife and us in the property.

3645 **The Deputy Bailiff:** Deputy Fallaize.

Deputy Fallaize: Thank you, sir.

3650 Just as a very brief intervention, and I have a lot of sympathy for Deputy Bebb's point about the economic contribution that is made by people who live in the Open Market, in whatever part of the Open Market, but I do think that there is a... well, it is not such a misunderstanding, but the lines of demarcation or the clarity that our housing market was meant to provide appear to be very confused now.

3655 We are here debating a Population Management Regime. Actually sometime over the last two days, I thought that we were debating an economic development plan, but we are debating a Population Management Regime and it includes provision for employers to use Employment Permits, or five-year Permits, where they can demonstrate that... no, eight-year Permits, where they can demonstrate that a skill shortage is not currently available on the Island, but is likely to be available in the foreseeable future; or a longer-term Permit where there is a skills shortage that is essential and is in short supply around the world etc.

3660 Now, it seems to me that that is the tool to use, in order to ensure that our economy has the people in it, who can continue to contribute to economic growth. That is the whole purpose of setting up a Work Permit or Employment Permit system.

3665 I do not think that using the Open Market in the sort of way that it is being used, under Part A, by some people and which Deputy Dorey's amendment tries to stop, is a very good substitute for an effective Work Permit system and that is the problem with the present regime. Part A of the Open Market was not designed for the purposes which Deputy Dorey's amendment is now trying to restrict. What he is trying to do is to bring Part A of the Open Market back to its original purpose.

3670 If there is a belief that we need to do more in the granting of Licences to ensure that there is economic growth, then we need to have a more liberal Work Permit system – not say, 'well, actually, we can have a reasonably Work Permit system, because, actually, employers can get round the back door by housing people in the Open Market', and that seems to be the problem.

3675 That is why I have a great deal more sympathy for these amendments about the Open Market than Deputy Luxon does. I have no problem and I find no inconsistency in saying that I am fully supportive of the Open Market and I think there has been serial misuse of the Open Market at the same time. I want the Open Market to be full of rentiers. I want the Open Market to be full of people who, in coming here, are making a significant contribution to this Island's revenue. But I do not want the Open Market to be used as a way to circumvent the new Work Permit system that this whole regime is meant to be about.

3680 Therefore, I will support this amendment and I would urge other Members to support it and not to see the Open Market as a way of a fallback position, if we do not get the Work Permit system quite right. Let us set the Work Permit system as conservatively or as liberally as it needs to be set, but let us try to return the Open Market to its original purpose.

3685 **The Deputy Bailiff:** Deputy Gollop.

3690 **Deputy Gollop:** Sir, I am actually against this amendment and, similar to Deputy Kuttelwascher, I am not in the Open Market but I came from an Open Market background. In a strange sense, most people from Alderney are Open Market in our terms too, and that is another issue with this Report but perhaps to talk about on another occasion.

I am against this amendment because the Open Market probably would not be constructed in the way it is if we were starting a blank sheet of paper. It has not entirely worked, but it is part of the fabric of our community. Many significant people who have contributed enormously to the Island's finance, industries, medical services, companies, charities, live in the Open Market, will continue to live in the Open Market.

But the properties who were put on the register in the 1960's were not the same properties we would put on today. It is necessary to give a bit of background information to, perhaps, counter some of the arguments because, in the 1960's, many of Guernsey's most attractive country dwellings and farmhouses were, in some cases relatively antediluvian. They were used for the purpose that you would expect them to be used for, dairy farming or related sectors; whereas town houses, Victorian and Edwardian villas, Regency piles, up many streets in St Peter Port South and related areas, were put on the Open Market because they were close to the amenities of the Island's leading commercial hub.

Over time, some of these effectively became guest houses or small hotels and then many of them became private residences for High Net Worth Individuals. But some of these properties were not fantastically attractive to such people who had come here to retire, or maybe they were younger than that, to start businesses, and so they changed and they mutated into other uses. That has been an evolution that is extremely difficult to reverse.

One mistake, I would agree with other speakers, that the States made 20 years ago, was in allowing Open Market people to have more relatives than you could have on the Local Market. The reason it was a mistake was not just because it was discriminatory; it actually set local people against the Open Market, instead of creating an inclusive mindset. That was unfortunate, but the point has to be made that the Open Market is a market that has a different set of entry points and conditions than the Local Market. The Local Market, of course, is more desirable because, historically, it has give easier integration to the community, easier integration for your children to achieve residential qualifications and Local Market rents and Local Market house prices, generally speaking, are, pound for pound, maybe half the price or less of the Open Market nearest equivalent.

You pay a premium to rent or buy on the Open Market and it even applies to rather non-descript rooms and flats. Because the migrants who come to Guernsey are paying a premium, through the normal routes of contract and law and everything else, they are entitled to have a slightly different package, and because of that, any attempt by amendments to restrict and change the rules is extremely unfair on existing owners of these properties and existing occupants and will have a knock-on consequential economic effect, as Deputy Luxon and others have identified, with the market potentially, perhaps, not going as smoothly as it might, with knock-on effects to our economic development and our taxation.

So, for those reasons, it is not appropriate, especially in the middle of what, in a way, is still a recessionary economy, to pursue these radical changes to the Open Market.

The Deputy Bailiff: I remind Members that this is not a general debate on the pros and cons of the Open Market; this is a debate on an amendment that is being moved in respect of Part A, as it will be, whatever it will be and who can be accommodated within such dwellings. Can we keep debate to the relevant points?

I am going to call Deputy Le Clerc and then Deputy Storey.

Deputy Le Clerc: Sir, I hope I will be keeping to the relevant points, but I just wanted to relate a story or several stories that were told to me when I was on the doorsteps last April and I was knocking on doors. In a small *clos* in St Peter Port North, there were several Open Market houses that fell into the Part A category that were being used for multiple occupancy and there were up to 15 or 20 people living in a four- or five-bedroomed house and they were running businesses out of those houses at all different times of the day and causing disruption to families on that *clos*.

So I do feel that there is an abuse of the Part A housing and I am not sure that they have been addressed by some of the recommendations here.

I also want to tell another story. I sat next to a family that moved to Guernsey last year, that were looking for a property in the Open Market, an entrepreneurial family, just the type of family that we want to be coming to the Island and moving to Part A housing. They were trying to rent and they were offered only three houses that were suitable for rental accommodation in Part A. There was a mum, dad and two children.

So I am really concerned that what we have currently got in our Part A housing stock is not suitable for the sort of people that we want to encourage to the Island, and more and more

properties have been going to the multiple occupancy, where either the landlord or the owners can make a lot of money out of this multiple occupancy rental.

So I am inclined to support Deputy Dorey's amendment.

3755 **The Deputy Bailiff:** Deputy Storey, to be followed by Deputy Stewart.

Deputy Storey: Thank you, sir.

First of all, I need to declare an interest, because I reside in an Open Market property and I own two other Open Market properties which I rent.

3760 Having said that, I would have to say that the matter of the Open Market properties in multiple occupation is a problem. I accept that is a problem and I do not think that this particular amendment is well designed to combat that situation, and I think the situation is dealt with within the recommendations of the main body of the Report.

3765 I would endorse the remarks of Deputy Luxon with regard to this amendment in that I think to disrupt the ability of people to live in what I consider to be Part A Open Market, not including those in multiple occupation, would be disastrous for the future economy of the Island. I would accept that we need to do something about the multiple occupation of Part A properties and that can be discussed in general debate when we discuss the Report as a whole.

3770 So I would urge people not to destabilise the Part A Open Market, any more than it has already been destabilised over the last three years, and to reject this amendment, because I do not think it is appropriate for dealing with the problem that we all accept exists, a multiple occupation problem, which can be dealt with in other ways.

Thank you, sir.

3775 **The Deputy Bailiff:** Deputy Stewart.

Deputy Stewart: Deputy Bailiff, I think we may have gone off on a tangent a little bit, but if we can turn to page 799, because I believe this Report does deal with multiple occupancy.

3780 If we look at Proposition 23:

'To agree that adult Open Market residents, and any of their children who are in employment, will be required to hold an Open Market Residence Permit.'

3785 We go on to 24 and it says:

'To agree to redefine Part D of the Open Market Housing Register such that it will incorporate all lodging houses and all Part A properties in use for the multiple occupation of unrelated adults and that such properties will be defined as Houses in Multiple Occupation.'

3790 So, if we have a Part A Open Market house that currently has unrelated adults in it, that will move to the new Part D and if we just read on, under Proposition 25:

3795 'that the number of properties that can be inscribed in the Register in the newly-defined Part D of the Open Market will be capped and that the level of that cap should be decided by the States, having regard to the size and make-up of the Island's population at any given point in time.'

Then (b) says:

3800 'that from the coming into force of the new regime, the cap will be set at the number of existing Part D Lodging Houses plus the number of Part A properties in established use for the multiple occupation of unrelated adults...'

So, basically, that means that, in the Report, any unrelated adults in Part A will have to move... that house will move from Part A to Part D. You will then be left with Part A as it was intended for, really, families.

3805 But what this amendment then does is it means that, for example, if a wealthy, High Net Worth Individual comes to this Island, buys a house, he cannot have his brother in it, he cannot have his girlfriend in it, actually, because they are not married and you are starting to put restrictions on what we want in the Part A.

3810 I will reiterate what Deputy Luxon has said: 'danger, danger, danger'. We have lost *millions* of pounds, as I am sure that the Treasury Minister will pipe up and say in a while, (*Laughter*) we have lost millions of pounds from loss of property sales in this Island. We have probably lost out on some great High Net Worth Individuals, people who invest in our infrastructure, our hotels.

3815 So, what we have is I think this amendment is totally unnecessary because it is already dealt with in the Report – those Rachman, that we know about, Open Market properties that are piped full with five people in a room and one toilet to seven rooms, we now they exist. They will have to move to Part D. They will not be Part A anymore and it will be capped.

So I move that this amendment is (a) unnecessary and (b) will discourage High Net Worth Individuals and lose more revenues for the Treasury.

3820 Thank you, sir.

The Deputy Bailiff: Deputy Langlois, then Deputy Brehaut.

Deputy Langlois: Deputy Stewart, sitting on the fence again, I notice. *(Laughter)*

3825 **Deputy Stewart:** I am still chipper!

Deputy Langlois: Just occasionally, sir, I think it is essential in this Assembly to stand up and endorse – hopefully, without too much repetition – views you have already heard.

3830 I think many of us around the Assembly recognise the problem. Deputy Le Clerc said she first saw it last year in St Peter Port North, I certainly saw it in St Peter Port South. We all know the problem.

3835 Is this the way to address it? Is this amendment the way to address it? No. Does the States Report's recommendation address it? Yes. Therefore, what should we do? We throw out the amendment and we deal with it through what is the prime recommendation in the Report.

A Member: Hear, hear.

The Deputy Bailiff: Deputy Brehaut.

3840 **Deputy Brehaut:** Thank you, Mr Deputy Bailiff.

I think it is worth reminding Members, after Deputy Stewart's speech, this is a composition of household amendment. This is the number of who can live within a property.

3845 When I was on the Housing Department, some years ago, I was of the view that we were becoming a little too timid with regard to litigation, that if somebody who was here for six, seven or eight years threatened litigation, then on balance, you would not contest it, because you did not want the precedent, you did not want the one case that then led to more. I think, personally, we became too risk averse.

3850 Also another significant thing happened, which is the confusion over population, over the responsibilities of the Housing Department and the economic objectives. I resigned from the Housing Department – now, let us think, what reason was it for, that day? It was because they had formed the Labour Utilisation Strategy Group, and I say 'they' because the, then, Minister of the Commerce and Employment Department spoke to the Housing Department senior staff. The Labour Utilisation Strategy Group was formed, which was to look at the, really in my view, made licences economic enablers, and I think the change of emphasis is damaging for different reasons.

3855 But we have moved to the, what was the Labour Utilisation Strategy Group and, at that time, we had to argue very, very strongly that Deputy Dorey was even on the Group. So, something that clearly impacted on the work of Housing was giving to the Labour Utilisation Strategy Group and, yes, I have digressed ever so slightly.

3860 Deputy Bebb said that he was here, because the Island needed his skills, he moved into Part A, without that Island would not have benefited from his skills. If his skills were essential, he would have got an Essential Housing Licence and, probably, would have got a five-year Licence, if his skill were essential to the Island.

3865 Deputy Dorey is right to make the point that Part A properties are houses and flats, and anyone who is canvassed St Peter Port South – and it is not just the clos; it is the larger estates – there are a great deal of houses in multiple occupation. I faced a particular problem with this when I canvassed because everywhere I went, seemingly, I was asked was I the Deputy that was not supportive of the Open Market?

3870 Because quite actively, this bizarre thing, whereby that it seemed to be, in St Peter Port South, you had to state your claim, to say, 'It is okay, you can stay here. I am supportive of the Open Market.' It is the first time in any time I have canvassed that there was an element of negative campaigning against politicians with regard to one area, and it just happened to be, on this occasion, the Open Market. 'Are you for us being here,' I was being asked, 'or are you against us being here?'

3875 We speak often, as we have done with all of these debates and amendments, about discrimination. This discriminates in favour of High Net Worth Individual families. Yesterday, we decided to discriminate against local families in taking the age qualification up, and I think that discrimination... I think in enshrining what we have, with the numbers of people in Part A of the Open Market, we end up actually with a more divisive, two-tier society where a higher number of
3880 High Net Worth Individuals and their children later qualified then have the availability later on of the Local Market.

What I find ironic, is that it is speeches of the nature of Deputy Luxon and of the nature of Deputy Stewart that damage the Open Market, because the States... the Open Market exists by virtue... It sits outside the Housing (Control of Occupation) Law. If the States decided to do that, the States, in the future, could decide to do something else, but we are too timid to talk about that.
3885 It is considered to be such a sensitive area, we cannot talk about it.

But when other Members do, it is, 'Keep quiet, we are going to lose them, people do not want to come here, you are frightening people away!'

This is a debate on the size of the population and the make-up. If we allow the paying section within the Open Market to thrive, then you have a material increase, a net increase in people, as
3890 well as a material effect on both the size and the make-up.

As Deputy Dorey said, there are about 1,000 people – 1,597 properties, 1,000 people that are here that conflict with the policy, with the objectives of this Report, that should not be. I support this amendment, so I want to, like Deputy Fallaize, like Deputy Dorey, bring the Open Market back to what it was supposed to be used for, not for houses in multiple occupation.

3895 Most people will say this: this new policy document will ensure that does not happen, but actually you have to have policies that impact on behaviour, and that behaviour would be influenced by a policy, by supporting an amendment such as this, which, ultimately, limits the composition.

3900 Thank you, sir.

The Deputy Bailiff: Does anyone else wish to speak in this debate? No?

Then I will turn to the Chief Minister to reply to the debate on behalf of the Policy Council. Deputy Harwood.

3905 **The Chief Minister (Deputy Harwood):** Thank you, sir.

May I say, at the outset that I will be voting against this amendment and I would urge the whole Assembly to vote against. The Policy Council has gone to great lengths to only make recommendations in this Report that we have justified on population management grounds. This amendment seems to be justified on the grounds of a perceived misuse of Part A properties to accommodate unrelated adults.

3910 Sir, I would submit that that issue is clearly dealt with already in the Propositions that are before you, in particular Propositions 24 to 27, by recognising a new category of multi-occupancy properties, which will be dealt with as a separate category.

3915 So a lot of the emotive talk about multi-occupancy and we can all recount experiences on canvassing, where we were faced with this, that is not going to be dealt with, now, by identifying multi-occupancy properties as a separate category.

3920 What you are dealing with, therefore, is the remainder of the Part A. The Report makes it clear that the average household size of Part A properties actually is less than the average household size for the Island generally, so, in population terms, leaving aside the multi-occupancy, Part A does not, in itself, create a huge issue for population.

I would also submit, sir, that in any event, the amendment is ill-considered. For example it does not attempt to identify how it is going to be impacting on existing Open Market occupants. Is he going to suddenly turn around to all those who are already in occupation of Part A properties and say, 'Unless you fall into these particular categories, you are going to have to leave'? I think that, sir, would be totally wrong, totally abhorrent and I think certainly we could be challenged on Human Rights grounds.

3925 In the Report, we have referred to Part A being identified by... the continuing Part A being identified by reference to 'related adults'. I believe that is a phrase that we will need to expand into definition.

3930 But, sir, above all the Policy Council has been keen to remove any uncertainty with regard to the future of the Open Market. This amendment has the potential to reintroduce uncertainty and seeks to introduce controls into an area of the housing market. Sir, all of this is with little consideration of the consequences to the Island and an apparent lack of justification.

For these reasons, I would urge the Assembly to reject this amendment.

3935 **The Deputy Bailiff:** I invite Deputy Dorey to reply to the debate on the amendment moved by him and Deputy Brehaut.

Deputy Dorey: Thank you, Mr Deputy Bailiff.

3940 I have never heard so many speeches going over the top, in relation to what this is. To call it dangerous, by Deputy Luxon, is unbelievable! This will produce the same rules as we have for Local Market, for Permit holders, for Part B, Part C and Part D. Is it dangerous for those areas? No. So why is it suddenly dangerous for Part A?

3945 It will have absolutely no effect on a normal family who want to live in the Open Market. Deputy Harwood has just told us the average household size is small, so for those families, it will have no effect whatsoever; but it just stops a problem happening in the future.

3950 If we want to be serious, and this is what the Report says, 'manage the size and make-up of the Island's population', you cannot do that without having rules. That is what this whole Report is about. You cannot allow one part to be not subject to the same rules as the others parts. That is what is discrimination. That is what will cause problems in the community. Everybody should have the same rules – surely, that is the way to be fair.

3955 He said it will destabilise the Open Market. Well, what happened which destabilised the Open Market before was the fact that people suddenly realised that our Housing Control Law had a limited life and, therefore, if it was not renewed, effectively, the Open Market would not exist anymore and the press decided to give that publicity and, also, the advocates involved in conveyancing had to inform the clients. That was the problem which destabilised the market.

This amendment which is, actually, only asking them to report back, will have no effect on the average house. It will not destabilise .

3960 Deputy Bebb mentioned about, in the explanatory notes, it only said 'spouse'. That was an error. It should have said 'spouse and partner', that is an explanatory note. It is not part of the amendment. It is clear from everything I said, it would be the same as for the Local Market, for Parts B, C and D so, that is just an error and, anyway, the whole idea of the amendment... The amendment is asking the Policy Council to report back; it is not making the change now. So, when Deputy Harwood said, 'What would you do for existing households?', well, that is the reason why it asking to report back, so we can have those details.

3965 We have spoken about... there is a lot being said about unrelated adults and that has what has led to the problem with Part A, but what these proposals do not do is restrict related people. So, we limit to Local Market immediate family. Without the Report coming back and proposals to limit people in Part A, you could have a Part A house full of related people. When does it become multiple occupation of unrelated adults? Perhaps you could have one or two unrelated and that, probably, will still be considered a family house, so you could have a considerably number of people coming into our community.

That is why, in 1992, under Deputy John Langlois, they proposed the limit on the Open Market Part A.

3975 Deputy Gollop said it is extremely unfair; but it is not. It is actually being fair so that we have a fair society so that all parts of it have the same restrictions. Surely, that is the right way to operate our housing market.

3980 This is to stabilise the Open Market, so that all houses have the same restrictions on family members: Local, Parts B, C and D. I believe it would be better for integration if they all had the same rules. That was the message on Wednesday when we spoke about children of Open Market families, that they should have the same status, in terms of local children, as when they qualify. But suddenly you are saying that it is going to destabilise if we have the same restrictions on who could live there.

3985 As Deputy Harwood said, it will affect very few, so I ask you to support this amendment so we can have a report. That is all it is asking for, and you can then make a decision which is the right way of doing it, but, in my view, we would have a serious population problem, possibly in the future, if we do not restrict it. If we have got a population policy and you have an Open Market house, which has a large number of people in it, that means that you cannot bring Permit holders in which will lead to population allocation in an Open Market house, which might not have any economic benefit to this Island. So it is far better to control it.

3990 That is what these policies are all about, is to manage the population, so I ask you to support this amendment for a report to come back.

Thank you.

3995 **The Deputy Bailiff:** Members of the State, I am proposing... We will see whether we are going to have a vote.

At the moment, I am proposing that we sit for a few more minutes, just to take a vote in this matter in accordance with proviso 2, Rule 3(2)(c). Those in favour; anyone against?

4000 *Members voted Pour.*

The Deputy Bailiff: I am very grateful.
So, Deputy Dorey has requested a recorded vote; we will move to a recorded vote.

4005 *There was a recorded vote.*

The Deputy Bailiff: Members of the States, we will just wait to declare that result, so that it is officially known before we rise today.

4010 We will adjourn until 9.30 in the morning. I take this opportunity to remind you that if we do not conclude the business of this meeting by 5.30 tomorrow, the default date to adjourn to will be a week on Wednesday. So please do ensure that you have a week on Wednesday available, if there is more business to discuss.

Not carried – Pour 13, Contre 32, Abstained 0, Not Present 2

POUR	CONTRE	ABSTAINED	NOT PRESENT
Deputy Brehaut	Deputy Soulsby	None	Deputy Le Pelley
Deputy Le Clerc	Deputy Sillars		Deputy Collins
Deputy Gillson	Deputy Luxon		
Deputy Fallaize	Deputy O'Hara		
Deputy Laurie Queripel	Deputy Quin		
Deputy Lowe	Deputy Hadley		
Deputy Le Lièvre	Alderney Rep. Jean		
Deputy Green	Alderney Rep. Arditti		
Deputy Dorey	Deputy Harwood		
Deputy James	Deputy Kuttelwascher		
Deputy Adam	Deputy Domaille		
Deputy Brouard	Deputy Langlois		
Deputy Burford	Deputy Robert Jones		
	Deputy Gollop		
	Deputy Sherbourne		
	Deputy Conder		
	Deputy Storey		
	Deputy Bebb		
	Deputy Lester Queripel		
	Deputy St Pier		
	Deputy Stewart		
	Deputy Ogier		
	Deputy Trott		
	Deputy David Jones		
	Deputy Spruce		
	Deputy Duquemin		
	Deputy Paint		
	Deputy Le Tocq		
	Deputy Perrot		
	Deputy Wilkie		
	Deputy De Lisle		
	Deputy Inglis		

4015 **The Deputy Bailiff:** Members of the States, on the amendment moved by Deputies Dorey and Brehaut, there voted *Pour* 13, *Contre* 32. So I declare the amendment lost and return the voting slip.

4020 We will close today's session.

The Assembly adjourned at 5.35 p.m.