

**REPORT OF PROCEEDINGS OF  
HOUSE OF KEYS**

**Douglas, Tuesday, 23rd February 1999  
at 10.00 a.m.**

Present:

The Speaker (the Hon N Q Cringle) (Rushen); Mr L I Singer and Hon A R Bell (Ramsey); Hon R E Quine OBE (Ayre); Mr J D Q Cannan (Michael); Hon H Hannan (Peel); Mr W A Gilbey (Glenfaba); Mr S C Rodan (Garff); Hon D North (Middle); Mr P Karran, Hon R K Corkill and Mr G T Cannell (Onchan); Messrs J R Houghton and R W Henderson (Douglas North); Hon D C Cretney and Mr A C Duggan (Douglas South); Mr R P Braidwood and Mrs B J Cannell (Douglas East); Messrs J P Shimmin and A F Downie (Douglas West); Hon J A Brown (Castletown); Hon D J Gelling (Malew and Santon); Sir Miles Walker CBE LLD (hc), and Mrs P M Crowe (Rushen); with Mrs M Cullen, Acting Secretary of the House.

*The Chaplain took the prayers.*

**Crown Dependencies – Investigation of Tax Regimes – Question by Mr Cannan**

**The Speaker:** Hon. members, we turn to our order paper. Item 1 on the order paper, I call upon the hon. member for Michael, Mr Cannan.

**Mr Cannan:** Mr Speaker, I have the honour to ask the Chief Minister:

*Can you confirm that the United Kingdom Government has submitted a report on the tax status of the Crown dependencies to the European Union committee investigating 'unfair' competitive tax regimes and, if so, are you aware of the content of this report?*

**The Speaker:** I call upon the Chief Minister.

**Mr Gelling:** Mr Speaker, I do not recognise the expression 'report on the tax status of the Crown dependencies' but what I can say is that what has happened is that as part of the EU's work on the code of conduct on business taxation, the United Kingdom, along with the other member states, has supplied to the code of conduct group in respect of each of its dependencies, (1) a brief description of the constitutional relationship between the member state and the dependency, and (2) a list of the tax measures that apply in the dependency that are seen by the member state as being potentially harmful in terms of the code of conduct. We have seen a copy of what the United Kingdom has submitted in respect of the Isle of Man and we did have an opportunity to comment upon it before it was submitted, sir.

**Mr Cannan:** I thank the Chief Minister for his clear statement in this matter which is of public interest, and perhaps he would now advise me, is his government entirely satisfied with the comments that the United Kingdom has submitted in respect of the Crown dependencies, in particular the Isle of Man, to this European committee?

**Mr Gelling:** As I have said, Mr Speaker, the United Kingdom have submitted this; it is from them on ourselves as a dependency and I can only say that the key part of the statement - and I can quote from that, if I may, Mr Speaker - states, 'The United Kingdom Government is responsible for the defence and international relations of the Isle of Man and the Crown is ultimately responsible for its good government. The people of the Isle of Man cannot, however,

vote in elections for the United Kingdom Parliament and it would be unprecedented for the United Kingdom to legislate for the Isle of Man on taxation and other domestic matters without the agreement of the Isle of Man authorities. Legislation on taxation has always taken the form of laws enacted by the Island legislation.' So basically we were concerned that that was annexed to it and it has been but, other than that, it is only the list of tax practices which the United Kingdom deem as possibly being unfair.

### **EU-sponsored Withholding Tax – Question by Mr Cannan**

**The Speaker:** Item 2, hon. members, and again I call upon the hon. member for Michael, Mr Cannan.

**Mr Cannan:** Mr Speaker, I ask the Chief Minister:

*Will you give an unequivocal assurance that the European Union-sponsored withholding tax will not apply to income generated in the Isle of Man?*

**The Speaker:** Again I ask the Chief Minister to reply.

**Mr Gelling:** The answer, Mr Speaker, is yes.

**Mr Cannan:** I thank the Chief Minister for his assurance, and therefore can I be certain that the European directive passed on 12th February for collection by states within the European Union of a withholding tax amongst member states on income of nationals of those states does not apply to income generated in the Isle of Man.

**The Speaker:** Chief Minister, the 'yes' will still apply.

**Mr Gelling:** It applies to the original question, Mr Speaker.

**Mr Cannan:** Thank you.

### **Bus Drivers – Working Hours – Question by Mr Singer**

**The Speaker:** Item 3, the hon. member for Ramsey, Mr Singer.

**Mr Singer:** Thank you, Mr Speaker. I beg leave to ask the Minister for Tourism:

- (1) *What are the maximum permitted -(a) daily, (b) weekly working hours for your bus drivers, including overtime;*
- (2) *what is the average number of hours worked by each bus driver; and*
- (3) *who is responsible for ensuring that excessive hours are not worked?*

**The Speaker:** I call upon the hon. Minister for Tourism and Leisure, the hon. member for Douglas South, Mr Cretney.

**Mr Cretney:** Thank you, Mr Speaker. Bus drivers' hours of work are regulated by an agreement between my department and the Transport and General Workers Union. This agreement limits drivers' hours to no longer than 5 1/2 hours without a meal break and no longer than 11 hours in any one day. It also provides for a minimum of eight hours rest between the end of one day's duty and the commencement of the next day. The agreement requires my department to guarantee bus drivers five hours working during the winter and six days during the summer. No upper limit to the number of days that can be worked in any week is specified.

The Department of Tourism and Leisure recognises the undesirability of long working hours. As a result my department produced a revised draft working agreement in July last year which restricts drivers' hours to those applicable in the United Kingdom legislation. The draft agreement is currently the subject of consultation with bus driving staff representatives.

With regard to the number of hours worked by each driver, I can advise that during 1997-98 the average number of hours worked was 49.94 per week.

Finally, officers in my department are responsible for ensuring that the agreement with the Transport and General Workers Union is complied with.

**Mr Singer:** I thank the hon. minister for his comprehensive reply. Could I ask him, in view of his answers, can he please explain the comments of the court in a recent case where a bus driver was said to have worked 72 hours in a week and that he drove for 27 days without a day's break? Is that fact?

**Mr Cretney:** Unfortunately, Mr Speaker, I am unable to answer any questions which relate to the court situation in as much as ongoing disciplinary action between the department and that particular driver is under way presently, and so I would not want to be seen in any way to cause concern in that area.

**Mr Singer:** Thank you, Mr Speaker, I accept that.

#### **Hyperbaric Chamber – Inclusion of GP Referrals in Statistics – Question by Mr Houghton**

**The Speaker:** Item 4 then, hon. members. I call upon the hon. member for Douglas North, Mr Houghton.

**Mr Houghton:** Thank you, Mr Speaker. I beg leave to ask the member for Health and Social Security:

- (1) *Are referrals from general practitioners for treatment in the hyperbaric chamber included in the figure of NHS referrals to the chamber in your department's statistics; and*
- (2) *if not, why not?*

**The Speaker:** I call upon a member for Health and Social Security, the hon. member for Onchan, Mr Karran.

**Mr Karran:** Vainstyr Loayreyder, in the most recent data the department has received from the Kevin Gray Memorial Charity, relating to the activities of the hyperbaric chamber, there is none which indicates the extent of GPs' referrals. The data which covers the period from 1st August 1997 to 13th July 1998 shows, however, a total of 23 referrals made by consultants. This is understood to be consultants employed at Noble's Hospital and is assumed to be referrals for the National Health Service patients.

**Mr Houghton:** Mr Speaker, does my hon. colleague in the department not agree that by counting the number of referrals from the hospital only, and not recognising general practitioner referrals is folly when general practitioners are employed by the department and each year issue prescriptions to the value of about £10 million, so how can their professional judgement be disregarded in this particular instance, sir?

**Mr Karran:** Vainstyr Loayreyder, the situation as far as this is concerned , I think, is something as far as the ranks within the medical profession are concerned about, but at the end of the day I do feel that this issue needs to have a total review. I feel it is something that there is concern over and all I can say to the department member is that it will be at the department in the near future.

**Mr Henderson:** Mr Speaker, a further supplementary. Is the hon. member aware, or does he know, if his department has adopted a UK NHS document sanctioned by the Chief Medical Officer, dated 7th September 1998, as an authoritative document advising that those suffering from carbon monoxide poisoning should be immediately referred to the hyperbaric chamber? If so, then, according to departmental protocol, are you saying that a GP referring directly to the hyperbaric chamber would not be counted in the acceptable statistics?

**Mr Karran:** Vainstyr Loayreyder, I would not see a situation where GPs would be referring under those circumstances anyway because it would be an emergency and it would come through the hospital. At the present time the department recognises carbon monoxide poisoning as a valid treatment through this process. I personally have a great deal of sympathy as far as this type of medicine is concerned and I think that it has now been seen with greater value within the medical profession, and I feel that it is not before time.

**Mr Cannell:** Mr Speaker, a supplementary, if I may, please. Would the hon. member for the Department of Health and Social Security not agree that the vast majority of people receiving hyperbaric oxygen therapy do so on referrals from GPs in the NHS and that many are probably being treated for complaints which fall outside the BMA guidelines?

**Mr Houghton:** They are not recognised.

**Mr Karran:** Vainstyr Loayreyder, I believe my other hon. colleague from the department (*Laughter*) is quite right as far his viewpoint is concerned over the medical criteria. I hope to see that we will see some movement so that this type of treatment will be seen as of greater worth in the future.

**Mr Cannan:** Will the member give an assurance on behalf of his department that in future every referral from either a GP or a hospital consultant to the hyperbaric chamber will be properly recorded?

**The Speaker:** Hon. member, I think you have answered but, nevertheless, you may if you wish.

**Mr Karran:** Vainstyr Loayreyder, the situation is, this is a charity. It is independent of the health services as far as how it deals with it. If people want to help this charity, then maybe different organisations might consider helping to sponsor this charity as far as its aims are concerned -

**Mr Cannan:** That is not an answer to the question.

**Mr Karran:** - but on the issue of GP referrals, as far as I am concerned this issue should be addressed. I think there is worthy merit in paying for GPs' referrals, but this is something that has to be negotiated through the medical profession, not just by the department.

**Mr Singer:** Mr Speaker, could I ask the hon. member, would he not think that there appears to be something quite drastically wrong within his department when a member of his department has to ask a question in public of his department?

**Members:** Hear, hear.

### **Hyperbaric Chamber – Additional Finance to Employ Nurse – Question by Mr Houghton**

**The Speaker:** Item 5, hon. members. I call upon the hon. member for Douglas North, Mr Houghton.

**Mr Houghton:** And the second question against the department, Mr Speaker. I beg leave to ask the member for Health and Social Security:

*Will your department provide an additional £15,000 per annum to the Kevin Gray Memorial Charity to enable it to employ a nurse to support treatment provided in the hyperbaric chamber?*

**The Speaker:** I call upon the hon. member for Onchan, Mr Karran.

**Mr Karran:** Vainstyr Loayreyder, as the hon. member is aware, the Minister for Health and Social Security is in correspondence with the charity managers concerning the request for further funding. The application has neither been approved or rejected and is under consideration.

**Mr Houghton:** Mr Speaker, but does the hon. member recall that at a departmental meeting in May 1998, the minister agreed to pay an additional £15,000 to the Kevin Gray Memorial Charity subject to receiving further statistical information at that time?

**Mr Cannell:** She did not.

**Messrs Houghton and Cannan:** You were not there.

**Mr Karran:** Vainstyr Loayreyder, I would say, as far as I recall, there was no guarantee as far as the assurance was given but I do believe that this is a worthy aim as far as the National Health Service is concerned and we should be supporting this charity in its aims. I am a bit disappointed it has got to the floor of this House (**Messrs Houghton and Gilbey:** Hear, hear.) but at the end of the day that is up to the individual member's right of dealing with his issues the way he wants to deal with them, but I can assure the hon. member, as far as the member for health is concerned, whatever my department can do to help this charity to provide the aims of this charity will be done.

**Mrs Cannell:** Mr Speaker, would the hon. member not agree with me that it would benefit all who visit the hyperbaric chamber looking for treatment if the hyperbaric chamber were enabled to employ a full-time qualified nurse, and would he not further agree with me that more funding should be forthcoming from his department to enable this employment to take place?

**Mr Karran:** Obviously, to answer the hon. member, we do not know what will happen once the minister has had her discussions, but I must say to the hon. member that I totally agree with the hon. member that there should be a nurse here and I should have nurses out in the community there and I should have had my diabetic clinic up and going, but at the end of the day I have limitations on the money that is provided and I have to try and eke that money

out so that we can provide the services to make sure that we have a health service that we are proud of, Vainstyr Loayreyder.

**Mr Braidwood:** Mr Speaker, is the hon. member aware that Manx patients who attend large hospitals in the United Kingdom are sometimes referred to a hyperbaric chamber in Merseyside by those hospitals to aid their recovery, and is it not a true fact that the hyperbaric chamber on the Island is a success story (**Members:** Hear, hear.) and would benefit from additional funding to help those patients who suffer from multiple sclerosis, leg ulcers, et cetera, and would give more recognition to this worthy cause if a nurse was employed to support those patients who require treatment?

**The Speaker:** I find that a matter of opinion and not a supplementary question. The hon. member for Ramsey, Mr Singer.

**Mr Singer:** Thank you, Mr Speaker. Does the hon. member acknowledge that the hyperbaric chamber is now being used for 10,000 treatments per year and, regardless of who actually refers the patients, does he not think that his department is letting the Island down and does it not also appear that promises have been made and promises have been broken?

**Mr Karran:** Vainstyr Loayreyder, I am not aware of promises being broken. As I have said in previous answers, I believe that the health service does value this charity and what it does. I also believe that one of the issues that has to be addressed is the fact that you have to deal with the medical establishment, and I believe that if one talks about closed shops as far as the working man is concerned and people going against them, believe me, when you are dealing with the medical profession then you will not find a bigger closed shop than that. So at the end of the day it does not matter what sympathy I have, it has to be up to negotiation as far as who gets their referrals paid for within the health service. I personally could spend a lot more money if this House wants to give me more money as the member for health.

**Mr Cannell:** Mr Speaker, a supplementary, please? Would the hon. member for the Department of Health and Social Security not agree with me that in a previous answer the department stated that it had more than honoured its obligation to this charity? It was the regrettable failure of the charity to raise the funds, sympathetic though we are to their needs. The charity had been advised that £40,000 would be granted by the department, which was the case, and I have the correspondence here to say that no such undertaking that the minister would previously give support on this has so far been forthcoming and, as the member says, it is still under consideration.

**The Speaker:** Hon. member, again there is no supplementary question within that statement. The hon. member for Douglas North, Mr Henderson.

**Mr Henderson:** Thank you, Mr Speaker. Can the hon. member for the department then explain why the hyperbaric chamber is being poorly treated when other charities who support social services have their budgets increased without question every year?

**Mr Karran:** Vainstyr Loayreyder, you must remember that social services are under the leadership of the hon. member for Douglas North and health services is under my leadership (**Mr Cannan:** That's why it is a disaster.) and I cannot say what happens as far as the funding arrangements are concerned for social services; maybe they are far more generous but at the end of the day the department does value this charity (**Mr Cannell:** Hear, hear.) and I do feel

that it is wrong to say that we are not prepared to look at this. There is no political intransigence in looking at this charity and its needs because it is valued, and I would like to take this opportunity to assure the people in our community that there is no threat towards this charity as some people have trying to make out there has been a threat.

**The Speaker:** I will take a final supplementary. The hon. member for Ramsey, Mr Bell.

**Mr Bell:** Thank you, Mr Speaker. This is obviously a very important issue to a great many people on this Island, not least to the hon. questioner who is a member of this department, so could the hon. member representing health and social security say whether in fact this important issue has been raised at departmental level meetings in the last few weeks to have it discussed thoroughly at that level?

**Mr Karran:** Yes. *(Laughter)*

### **Smokeless Fuel – Investigation of Price – Question by Mr Henderson**

**The Speaker:** Item 6, hon. members. The hon. member for Douglas North, Mr Henderson.

**Mr Henderson:** Thank you, Mr Speaker. I beg leave to ask the Chairman of the Isle of Man Office of Fair Trading:

*Will your office investigate the price of smokeless fuel on the Island?*

**The Speaker:** I ask the Chairman of the Isle of Man Office of Fair Trading, the hon. member for Rushen, Mrs Crowe, to reply.

**Mrs Crowe:** Thank you, Mr Speaker. The Isle of Man Office of Fair Trading is well aware of the present concerns with regard to quality and price of smokeless fuel being sold on the Island. In fact, long before any members of this House corresponded with myself or the officers, we had, as part of our routine schedule of consumer protection, sent samples of both coal and smokeless fuel to specialist laboratories in the United Kingdom. These carry out our annual sample testing. We have received letters from other members of this House but, unlike the member for North Douglas, Mr Henderson, they have been good enough to allow us to complete our investigations. I did write to the hon. member Mr Henderson on 9th February explaining the situation and, as the Minister for Tourism commented in another place, the hon. member only had to pick up the telephone for any further explanation from me. I do not think it is helpful to table a question at this time when he knew full well what steps we were taking and that our investigations were ongoing, and I must comment that the publicity that this question will undoubtedly attract could seriously damage the work of our inspectors. I shall, however, be pleased to report to all members of this House as soon as our investigations are complete. Thank you, Mr Speaker.

**Mr Henderson:** Mr Speaker, I am grateful to the hon. member for her clear and comprehensive reply, but nonetheless this is an important issue which I feel must be aired in public and I am wondering if she can confirm that her office is aware that smokeless fuel can in fact cost £11.80 per bag, is quick-burn and causing pensioners extreme hardship at times?

**Mr Houghton:** Hear, hear.

**Mrs Crowe:** Mr Speaker, I have previously stated we are fully aware of all the facts, in fact far more aware than other hon. members of this House as our inspectors carry out

specific testing on every fuel annually. So we are fully aware of the price, we are fully aware of any complaints that we have received either from members of this House or from the public, and we are investigating them. As I say, other members have been good enough to allow us to complete those investigations and they unfortunately will not be complete until 4th March. Thank you, Mr Speaker.

**Mrs Cannell:** Mr Speaker, can the hon. Chairman of the Office of Fair Trading indicate whether or not in March, when she is expecting to receive that report, it will be made available to members of this House and the findings will also be publicised?

**Mrs Crowe:** Mr Speaker, I have already stated that I will supply the information to every member of this House if they so wish. I have already stated that we have carried out part of our investigations. As part of that investigation, the report, of course, was the initial stage. Thank you, Mr Speaker.

**Mr Henderson:** Mr Speaker, far be it from me to be hindering investigations which are already well under way, sir. I would like the hon. Chairman of the Office of Fair Trading to give this hon. House some sort of assurance also on completion of the investigation, which I understand will just be the report writing now really, of furnishing results to the DHSS so that between the pair of them they may be able to work up a possibility of an increase on the coal allowance for pensioners.

**Mrs Crowe:** I did not suggest that the completion of our investigations would just be report-writing. The investigations are ongoing. There is a great deal more when one is investigating a serious complaint of this matter than report-writing. We will, of course, as I say, be corresponding with all those who are interested at that time and we will send out copies of the report to any hon. members and, if need be, to the DHSS. Thank you, Mr Speaker.

**The Speaker:** The hon. member for Douglas East. A final supplementary.

**Mrs Cannell:** Thank you, Mr Speaker. My final supplementary: I did ask the hon. chairman whether or not she will make the findings of the report public, bearing in mind that most of the complaints have emanated from the public to their elected representatives which have subsequently been received by her office.

**Mrs Crowe:** Mr Speaker I would like to get in context the scale of these complaints. The Office of Fair Trading actually received six complaints. There have been three complaints forwarded by members of this House. As I say, it happened to coincide with our annual testing of the coal quality and price on the Isle of Man and it is the Office of Fair Trading who has initiated these investigations and not complaints from any member of the general public, but we will indeed make public - and in fact I think it has now been made public - the fact that we are completing an investigation. Thank you, Mr Speaker.

**The Speaker:** Item 7, hon. members, is for written answer and I understand the paper has been circulated and is on your desks.

**Agricultural Holdings Acts – Legislation to Amend –  
Question by Mr Cannan for Written Answer**

**Question 7**

The hon. member for Michael, Mr Cannan, to ask the Minister for Agriculture, Fisheries and Forestry:

*When do you intend to introduce legislation to amend the Agricultural Holdings Act 1969 to 1976 in respect of security of tenure?*

**Answer**

My department has drafted amendments to the Agricultural Holdings Acts 1969 to 1976 which it is anticipated will be introduced into the branches in the current legislative year programme as part of a Miscellaneous Provisions Bill.

The Act will still provide for land to be let for less than one year without creating a protected tenancy.

Opportunity will be made available for landlords to let bare agricultural land for any period from one to five years without a tenancy being created.

The major provisions of the Act as they affect landlords' and tenants' rights remain unchanged.

The proposed amendments carry the support of the MNFU.

**Town and Country Planning – Conditional Permission – Leave to Introduce Bill Refused**

**The Speaker:** That moves us on to item 8 on our order paper, leave to introduce, and I call upon the hon. member for Onchan, Mr Karran.

**Mr Karran:** Vainstyr Loayreyder, I beg to move:

*That leave be granted to introduce a Bill to provide for conditional planning permission for residential development, in particular restricting the purchase of property within the development to those with a Manx residential qualification and prohibiting the leasing of such property, and for connected purposes.*

I move this motion because I feel there is a need for a debate over the housing of our own people. I have always said that you should not have to put your wife out to work just to put a roof over the family unit, but it has now come to the fact that for the family unit to keep over their heads it is down to both having to work, and I do feel we need to know where we are going. I have a long record of support for a property-owning democracy and I was always having a go at Dr Moore as Chairman of the Finance Board many years ago to keep up the efforts to try and help those who were finding it a struggle to pay for their mortgages to buy their properties, and I am sure there would be quite a few of them who might be on our housing lists or in our council houses now if not for those actions. I feel we will have to look at as many factors if we are to achieve decent accommodation for all our people. We need a range of options to deal with one of the cornerstones of the foundation for any decent society.

I hope this House will not throw the baby out with the bath water if it refuses leave to introduce. I think you will be doing a disservice to this House. I know it sounds alien to the Isle of Man, but when you see the development at Governor's Hill by Dandara, then that was alien once as well.

The urbanisation leads to the dangers of bringing in the same social problems as those in the United Kingdom. The bottom line is that it did solve the problems of excess rent being

charged in the private sector and brought the price of property down, which it did in the early 1990s and it was a good thing. Now, if we were to allow for another development of the size of Governor's Hill, that would solve the problem in the short term, and I underline *in the short term only*.

Is this the way that these cornerstones of our society should be dealt with? I suggest not. Why can't locals live in more rural areas? Why force them always into new housing developments? Now, I am all for first-time buyers' houses, but if we look at the prices of first-time buyers' houses, over the last 10 years they are no longer first time buyers houses and what was the real cost to the taxpayer on an individual basis as far as these initiatives are concerned? It would be a great deal more than the individual costs of council house tenants. That is a fact, not fiction.

As a former member for the old Middle Sheading, I always said I would like to see development taking place around the hamlets, a couple of houses, maybe, at Oakhill, half a dozen houses at Quine's Hill, a dozen houses at Port Grenaugh, a dozen houses at the Cooil, and I could go on. However, the bottom line is, just as with the first-time buyers' houses, we would build these houses and at the time they would be bought they would be affordable homes for everyone, but by the time they had been sold once they would be out of the reach of 80 per cent of the Manx people, and I say 'Manx people' being people who have lived here for more than 10 years. What upsets me so much is, why can't we help our own people? Why do they have to be forced to live in urban sprawl?

My Bill gives flexibility to create some sort of conditional planning permission which would restrict the ownership of the homes and I now quote once again, 'Leave to be granted to introduce a Bill to provide for conditional planning permission for residential development, in particular restricting the purchase of property within the development to those with a Manx residential qualification and prohibiting the leasing of such property for connected purposes.' I see this legislation as a facility to help keep property prices down, to make sure there are rungs on the ladder to enable people to acquire decent, affordable property.

I am not saying this Bill will be the whole answer, but it will be a valuable asset in housing our local people. It will not affect any property which is already in existence; it will only affect those properties that gain planning permission through this form of development. This Bill is not trying to restrict people who own property at the present time, but it is a device to be used to help people who have lived here more than 10 years to obtain affordable housing on a fairer playing field.

I hope I am not going to have my integrity insulted by talking about creating ghettos in the property market. You have to have a 10-year residential qualification to get council houses. Is it all right for these people to live in a ghetto, then, because they cannot afford to get on the property ladder because often they have fallen off it for various reasons such as marriage breakdown, unemployment, sickness? Is it all right for them to have need of residential qualification, but not us? I have seen the hypocrisy about creating ghettos and I have pleaded with the DLGE over the redevelopment of Pulrose, half of which should be first-time buyers in order to get away from ghettos. Snobbery is bad in society but inverted snobbery is worse. And the DLGE have run away from this issue. If they had any sincerity about wanting to stop ghettos, then they would have done something about this issue, because this will be the last opportunity for another 60 years. Who is really creating ghettos in our society? I am sorry, hon.

members, but too many of our employees, not just the manual workers but civil servants, have no choice where to live. They have a limited market to choose their houses from.

We talk about first-time buyers' initiatives. The first-time buyers' initiatives built in the 1960s at Birch Hill are now far out of the reach of the first-time buyers. We now find that the first-time buyers' houses built at Governor's Hill will be out of the reach in another 10 years' time unless the economy of this small nation collapses, and it is in nobody's interests to go back to the days of high unemployment. So do not talk about creating ghettos; we already have them here now. We have bought our own houses, we have got no problem but we need a number of ways of dealing with the issue of housing, and I believe my proposal is worthy of debate at second reading, clauses and third reading stages.

I personally see this Bill working in three ways, if it is allowed to be: (1) It would be clearly on planning permission on the basis it would try and save rural life and make it more viable. If we were to build, say, half-a-dozen houses around St Mark's or around many of the other hamlets in my former constituency, who would live in them at the present time? It would not be the locals because they could not afford them. However, with some sort of residential restrictive covenant on the property, a person who needed to have 10 years' residency would not be able to get these properties and also would stop the properties being built and then rented out at a fantastic rent so that the only people who could afford it are those who would get the finance houses to pay their rents. This is what is happening to kill off rural life at the moment.

A fine example involves a young person who wants to settle down, looking for a house himself whilst living on a farm, working part-time for his father. He wants his own place but there a number of siblings as well as himself. He cannot afford to stay in the local area. Yes, he could apply for a farm worker's cottage on the farm, but when the father dies, none of the siblings will be able to buy the others out and the farm will be put up on the market and the farm worker's cottage will be put on the market with it. This will not help that young man to stay in his local area, to bring up his family. However, if he was granted planning permission on a restrictive residency covenant, then at least it would mean that if he would have to try and sell his property at a later date, he would not be able to sell it to someone who had just got off the boat; a local person would have the opportunity of buying that property.

This help could be extended, for example, in another way of dealing with it if there was a policy decision of the DLGE that any new developments of first-time buyers may be developed with this form of planning permission. We all know that if we want decent accommodation at a price that first-time buyers can afford, then we are going to have to put tens of thousands of pounds' worth of subsidy into these houses. If it is good enough to put a 10-year restrictive covenant on council houses because they are subsidised, why can we not put a 10-year restrictive covenant on this type of subsidised housing? If we have any real sincerity about not creating ghettos, then when we are looking at a part-equity mortgage scheme which will mean a great deal of subsidy from the taxpayer, the house purchases under that scheme could be placed for planning permission under this scheme which will affect its resale.

I would suggest that this would be something that could be done after the Bill had got its second reading or it has gone to the committee stages where the issue of new mortgage schemes could be looked at. This would be a great way of enabling there to be no ghettos, because it would mean the houses bought in Whitebridge Road under the new highly

subsidised government mortgage scheme, houses bought in Nursery Avenue in Onchan, Farmhill Meadows, Orry Place in Governor's Hill - all would have the restrictive covenant on them to help create that possible fear of ghettos. Are we concerned about treating all our people who need housing, either on the property ladder or not, in the same way?

Hon. members, this Bill will not solve the problem of housing but it will be one of the ways that could be an effective tool to help house our local people. But it will be a part of a package of measures that could possibly help local people to own their own properties. I hope that it will have an effect on the property by 10 or 15 or 20 per cent. But at the end of the day, who will it affect? Twenty-five per cent of the population at best, anyway, of those who have less than 10 years' residency. However, the 10 or 15 per cent it might make difference in the price might make the difference between local people being able to afford to buy their houses or not in the first place.

Hon. members, we are looking, as far as a Private Member's Bill is concerned, at creating the position where we are not putting on a restriction that you have got to have a Gold Fainey for speaking Manx or you have to have three generations of family who are Manx-born or are a descendant of the Sulby Cossacks to buy this type of property; we are talking about a 10-year residential qualification or somebody being married to somebody with a 10-year residence qualification to purchase this type of property. If it can be done for one section of the community who are not on the property market and it is not called ghettos for council house tenants, why can't it be done for another section of the community who wish to afford to purchase homes at affordable prices? You have to face the reality, hon. members. We are going to have to increase subsidies for housing on this Island if we want a property-owning democracy for all our sections of the community. If it is good enough for one section of the community to have a 10-year residential qualification, why is it not good enough for the lucky ones to get state support to get on the property market? Or is it simply blind prejudice having two tiers as to how we treat people in our society?

This House should see this as an opportunity of allowing further debate so the Bill can be extended to look at as many rungs on the ladder as possible. This means that we are supporting a property-owning democracy and creating a type of property on the Island that I feel will be helpful to help those who are Manx residents to buy into their homeland. I beg to move.

**Mr Rodan:** Mr Speaker, I will second the motion for the purposes of achieving debate upon it, but I would like to state from the outset that I do not believe that this proposal as outlined by the hon. member for Onchan, Mr Karran, is the appropriate way (**Several Members:** Hear, hear.) to deal with the problems that he has correctly identified and over which we have no doubt his motivations are quite sincere. This motion is principally concerned with something called conditional planning permission. If I could from the outset state that the Planning Committee can and does require the provision of certain house types to attract, for example, first-time buyers or to attract elderly persons or small families, as part of a proposal for residential development. The committee already does require certain types of housing to be made available, if appropriate. What the committee cannot do is, by planning permission, restrict the purchase of such property to certain types of persons or potential tenants or to set down similar conditions that are more properly dealt with by legal covenant or other legal means. It would be quite inappropriate to use conditional planning permission to distort

property values to achieve the aims that the hon. member is seeking to achieve. If the member is also suggesting that land should be earmarked for purchasers on the basis of residential qualification or purchasers who are first-time buyers, land that would otherwise be unsuitable for residential development - and he has given a number of examples, places like St Mark's and Port Grenaugh were mentioned and the Cooil - now, these places are either suitable for residential development (*Interjections*) or they are not. Bear in mind that the houses will have a life far beyond that of the prospective purchasers.

I am content, from a Planning Committee point of view, that the department should pursue the work it is already engaged on on a far wider front, and that is identifying land to be brought into residential zoning as part of the local plan process; the land banking of strategic sites for residential purposes; the initiatives for urban regeneration for residential purposes on brown field land, a process that the department has got engaged in, together with Treasury; an inter-departmental front looking at the financial incentives on how to achieve such urban regeneration; and, perhaps more importantly, to achieve a modern realistic house purchase scheme to replace the present one. That is what we need, not legislation that raises false hopes, perhaps, or legislation that is largely irrelevant or at best peripheral to the issue.

**Mr Quine:** Mr Speaker, again I can understand the hon. member and his wish to do more for persons in terms of housing that should be available to them. I can understand that, but I would remind hon. members that only a few days ago we had in another place the budget presented by the Minister for the Treasury and it was clear from that that we have indeed made very considerable provision for housing. And I also made a contribution to that debate where I dealt in detail with the issue of need which has been professionally quantified and the programmes which are being put together to meet that need. I also made reference to the supporting schemes, the financial schemes and other approaches that are being taken to make this all hang together. And I would have thought that the hon. member would have been content with that outline. But not only that, of course; I have discussed this matter and indeed had an exchange of correspondence with the member over several months now and it was my belief that I had explained in great detail to him exactly what was happening and how we were going about meeting the need. If we are to take this motion at face value, then clearly the hon. member still has reservations but I cannot understand why.

But if we just look at the motion for a moment, he is seeking conditional planning permission and he wants to restrict the purchase or lease of property within a development and he wants that restriction to apply to Manx residential qualification. I do not want to cover the ground that has been already dealt with by Mr Rodan, but the first point I must make is that if that is his wish, he cannot approach it, he should not approach it - we should not approach it - through planning legislation. In substance, what the hon. member is recommending to us, although he has not mentioned it by name, is an arrangement such as we have in Jersey; that is what he is talking -

**A Member:** In Guernsey.

**Mr Quine:** No, Jersey. Well, you may be able to speak about Guernsey, the papers that I have here referred to Jersey and I have all the details here of that scheme, and I am sure they are very similar to what he has in mind. And I would again, just to underline what I have said about the inappropriateness of amending planning legislation, remind him that the approach which has been taken in the Channel Islands is one that the planning designates the land, and

of course that planning process designates, specifies density. But in terms of regulating and controlling who goes into houses, which is what he is talking about, that is dealt with by housing legislation. Quite different legislation which requires the approval of the Housing Committee in terms of who may occupy particular land or lease particular properties.

Now, that, I would suggest, is way over the top in terms of what we need here. I believe we have the policies and strategies in place here to meet this important requirement. What this would do, if brought in alongside or if superimposed upon the policies and strategies that we already have, is create an administrative nightmare and a planning quagmire, and if you wished, you could start and analyse that right from the start, from the local plan process to the position of the owner of that land, the distortion of the markets - surely that is not something that we should be entering into. We have taken an approach - that is, Tynwald has taken an approach - and it has been in place now for many years and it has been refined from time to time, and that approach, I believe, makes a great deal of sense. We seek to meet the needs of the lower end of the market basically in three ways. We provide public housing - well, you can bracket all this together, I suppose, and call it affordable housing in the first place, but the first element of affordable housing is public housing, and this hon. House is well aware of the impressive programme that we have in place for the next five years in respect of public housing. I am sorry to hear that he does not find favour with the proposals for the replacement of housing in Pulrose, because unquestionably any member who examines those proposals and looks at the standards which are being applied in Pulrose, if he was to take an unbiased view, could not but be pleased with what we are seeking to bring about there in collaboration with, of course, Douglas Corporation. (**A Member:** Hear, hear.) So I think it is quite wrong to start creating a hare to run on the basis that what we may have in Pulrose is not going to be suitable housing. It is going to be very good housing and I am sure Douglas Corporation would agree with me in that respect. So public housing is the first element that we seek to provide in terms of affordable housing.

We then go into the first-time buyers' housing and again, at risk of straining members' toleration, I would just repeat we are approaching that on two particular fronts: releasing government land to enable houses to be produced at a price which will be within the reach of first-time buyers, and additionally we are bringing in a financial assistance scheme which will allow members to purchase at market price because of the support that they get through that financial assistance scheme. And that, I believe, represents a fairly comprehensive approach to that particular problem. And then, running in parallel with that, we have already in place a fairly new scheme for financial assistance to persons that want to do up older properties and so on. That is all there. And we will have the new first-time buyers' support schemes before Tynwald very shortly.

So I have to ask myself, what does the hon. member seek to achieve? Just putting aside for one moment that he is approaching it from the wrong end anyway - he is approaching it from planning legislation end when what he is seeking to achieve is not a matter for planning legislation - what is he seeking to achieve? I do not see what he can achieve that is not already embraced by the policies and the strategies which we have implemented or are seeking to implement. All he is going to do is create, I would suggest, a waste of resources. He is going to divert important resources from getting on with the programme which is based on valid policies and strategies which have the support of Tynwald as a whole.

I am very reluctant to deny any member right to introduce - indeed, I think it is only on three occasions in the whole time I have been in this House that I have done so - but I have to say that I do not believe that this is a case that I could go along with, because I think that it would be counter-productive. It is, as he has intimated, a vitally important area and we should not be diverted or sidelined into running with schemes such as this when we have the mechanisms, we have the policies, the strategies, and the need is to get the resources to implement those. I believe that that is there and I would invite hon. members not to lend their support to leave to introduce on this occasion. And I ask that reluctantly, but at the same time in the knowledge that we need to keep our eye on the ball, we need to get on with providing housing and not enter into diversions. So I would invite hon. members not to lend their support to this particular motion. Thank you, sir.

**Mr Brown:** Mr Speaker, the hon. member for Onchan has without doubt raised an important matter here today and, whilst I understand clearly the point that he is raising, especially coming from a small town that is having considerable difficulty in having any houses provided for first or second-time buyers, I understand the problem only too well. And because of the concern my town has about this situation, a situation where we have seen virtually no new houses to meet the first-time and second-time buyers' market in Castletown since the late 1970s, some 20 years now, we have seen an exodus of many families from Castletown moving to Douglas, moving to Port Erin - anywhere but Castletown because they have great difficulty in finding housing - and already this year I am aware of three families who have had to leave Castletown if they wanted the opportunity to buy a house because they are just not available. So I fully understand the point that the hon. member is raising.

However, I have to say that I do believe that the way and the approach that he is endeavouring to deal with this is not a practical one, and the reason I say that is that planning has its limitations and we have experienced before, in a very limited area, where government has used the planning system to provide control on housing and it has done it as a planning condition to say that this type of housing - and they were related to the farming sector - should not be sold except to the farming community. And we have seen people wishing then to fight through the planning system to have that condition removed, and the difficulty is some people have been successful and some people have not.

So I have to say the planning system to me is an absolute no-go for this. I am totally opposed to any system that would echo the Jersey and Guernsey systems which, quite honestly, are not working in their own places and are against the interests of their own people, people who cannot move then out of that market because they are contained within it. So we have nothing to learn from Jersey or Guernsey on that issue - nothing at all.

If we want to provide, as a government - and I believe we should - land that will be available in our communities around the Island, then we already have the provision there to do it. It is called the planning legislation. It is called the local plan. But the problem is that we have a continual problem where nobody wants a housing estate near them or housing near them, no matter how small or big. We have had land designated since 1991 in my town and we cannot get planning permission - when I say 'we', the developer cannot get planning permission because of a group of people who are exercising rightly their rights but are very effective in how they fight their case. And it seems to me that there is a danger sometimes of planning decisions being made for the popular reason and not for the right reason. So

planning is not the way to deal with this in the way that the hon. member is putting forward. We can already zone land around our towns, our villages, wherever, under the local plan and in fact it is quicker than this because it is a matter of an order and going through the system.

I am also one who believes there is a desperate need to provide and allow for development for housing outside of Douglas. If we do not combat this problem, we will imbalance the Island's population. Governor's Hill, the hon. member mentioned, is 850 houses - I know this because we did a survey on it recently for another matter I am dealing with - built in a very short period of time. In my town there are only 1250 houses, so we virtually have built a brand-new town within Douglas, in terms of size of population. But where did most of those people come from? A lot came from Douglas, a number came from off the Island; an awful lot came from everywhere else around the Island and have moved into the centre, and the danger is you will imbalance our community and our society by bringing everybody into the centre, and somehow that has to be combated. I have no problem with that at all. We need to deal with it as government. So what the hon. member is raising is a genuine problem and this is an opportunity for us to deal with it.

One of the problems when you do not have the provision of new housing is that you have stagnation in your housing market. We have certainly got it in our public sector housing in our town and within our private sector within the town, because nobody can move from first-time buyer to second-time buyer unless they leave the town. Nobody can move out of public sector housing into first-time buyer unless they leave the town. And when people do not want to leave their communities for very good reasons - and why should they? - they stay and therefore they stagnate the town, and it is a matter that is very serious and needs to be dealt with.

Now, there have always been a number of components that I think are important to dealing with the issue of housing. The fundamental one is land; without a doubt, if you have not got the land, you cannot do anything. The other is the provision of grants, if government is going to be involved in this, and my view certainly is that I have been a supporter of the provision of a substantial grant for anybody who has lived, let us say, 10 years in residential accommodation within the Island anyway, because by doing that, you will enable them to move out of rented accommodation but only if you have new housing being built or there is the availability of first-time buyer housing in the market. And then we have a government mortgage scheme, which is effective even today, except that the £50,000 level is unrealistic, and that is a matter the minister has already said he is looking at, but they are looking to revamp the scheme as well as increase the allowances. But if we look at the Chrystal's property review of 1998, an average terraced house was £66,665, a semi-detached house was £76,605, the average price, and our mortgage scheme allows £45,000 and a valuation of £50,000. So our mortgage scheme is very limited now, unfortunately, where it can affect. But even if we have a good mortgage scheme, if you have not got the houses you are not going to have the movement.

I have always been of the view, I have stood on every election and I continue to make the point - housing is a fundamental provision that we have to deal with on this Island. And because we are an island, the pressures on housing are even greater than they would be in a larger country, because land values are higher because of the limitations, and the more we control the amount of land available for housing, the higher the price will continue to grow for land. So we need to deal with it very carefully.

The hon. member, Mr Karran, in moving this matter, has said he wishes to introduce new legislation. One criticism I would have is that we have just had a new Planning Bill through the House within a couple of months and this issue was not raised, and I think it would be helpful to know why at that stage the opportunity was not taken, if there was to be planning legislation, to make an amendment. Maybe the hon. member has only just thought this idea through. That is fine. We all think up ideas there and then. But I think what is more important is that I believe, because I have been spending a lot of time trying to deal with this issue, that there is already a provision there. The Housing Act of 1955 is quite specific. It is an old Act but it has very effective provisions in it, and I am going to quote some of them because they do respond, I believe, to the points that Mr Karran is raising.

In the Housing Act of 1955, part IV, it is headed 'Provision of Housing Accommodation' and on that, section 37, it says, 'duty of local authorities periodically to review housing conditions in their areas and to frame proposals'. And that section goes on - and I am only quoting part of it: 'It shall be the duty of every local authority to consider the housing conditions in their district and the needs of the district with respect to the provision of further housing accommodation' and then it goes on. And in fact government can require a local authority to undertake such a review. One of the problems is that we do not know how serious the situation is around the Island because there are different pressures on. Maybe it is time we found out really how serious this situation is.

Section 38 then goes on: 'Mode of provision of accommodation. A local authority may provide housing accommodation: (a) by the erection of houses on any land acquired or appropriated by them; (b) by the conversion of any buildings into houses; (c) by acquiring houses; (d) by altering, enlarging, repairing or improving any houses or buildings which have, or an estate or interest in which has, been acquired by the local authority. Any such powers as aforesaid may, for supplying the needs of the district, be exercised outside the district of the local authority.' So the Act says they can buy land even outside their own district to meet the needs of their own area if necessary.

Section 38(4) goes on to say: 'For the purposes of this part of this Act, "provision of housing accommodation" includes the provision of separate houses or cottages containing one or several tenements, and, in the case of a cottage, a cottage with a garden of not more than one quarter of an acre.' So the point the hon. member is talking about, whether it be St Mark's or anywhere else, there is a statutory provision for a local authority to buy land and it may well be . . . I understand very clearly that the income of a local authority may not be adequate to do it and that is where government should play its part maybe with that local authority.

But then section 39 goes on to say: 'Power of a local authority to acquire land for provision of accommodation.' It states: 'A local authority shall have power under this part of this Act: (a) to acquire land, including any houses or other buildings thereon, as a site for the erection of houses; (b) to acquire (i) houses; (ii) houses and buildings other than houses, being buildings which are or may be made suitable as houses, together with any lands occupied with houses or such buildings or an estate or interest in houses or such buildings or land; (c) to acquire land for the purpose of - (i) the lease or sale of the land, under the powers conferred by this Act, with a view to the erection thereon of houses or shops by persons other than the local authority.' So there is a provision there for the local authority to buy land and

then sell that land on either to an individual to build a house or to a developer to build houses, and they can specify whether it is one house, ten houses, five houses, so this need for large estates can be controlled.

It then goes on under section 40: 'Mode of acquisition of land for provision of accommodation.' Under subsection (1): 'Land, for the purposes of this part of this Act may be acquired by a local authority by agreement' or compulsorily. So ultimately, if they have to, they have a statutory responsibility to provide this land and they can if necessary go for compulsory purchase if there is an unwilling seller.

Then it goes on, which I think is also very important - this is under section 40: 'A local authority may, with the consent of and subject to any conditions imposed by the Department, acquire land for the purposes of . . . this Act, notwithstanding that the land is not immediately required for those purposes: Provided that a local authority shall not be authorised to purchase any land compulsorily for those purposes' unless the department - and 'the department' means the Department of Local Government and the Environment - certifies that it is likely to be required for those purposes within 10 years of the date of the application to Tynwald for the authority to acquire such land compulsorily. I think that is fundamental, because what it means is a local authority can actually purchase land not for the immediate needs of its area but also for the longer-term needs of its area, and say 'Over the next 10 years we will develop this land for the needs of our town, or village or parish or whatever it is,' and I believe that this Act is a very important provision, and I believe that if you have a situation where the Department of Local Government, acting for government, and the local authority work together, then everything that the hon. member for Onchan wishes to achieve is far more effectively able to be achieved through the Housing Act of 1955. In other words, the hon. members of the House who passed that legislation were well aware of this situation and have made provision that is already on the statute.

I would suggest that provision is far more effective than the provision of progressing the proposal by the hon. member which is on the agenda. Government can buy land, it can give the land to the local authority, it can hold the land and allow the local authority to sell off that land over a period and reimburse government for that loan. There are so many formulae that could be worked out under the provisions of that Act that I do not believe we need new legislation, and the key will always be whether or not a town or a village is able to get planning permission to allow development. One of the problems that we are facing today is that many people do not want anything to change in the areas they live, and the danger from that is that we will change the population, we will move it into Douglas and Onchan area and the Braddan area, which are larger, which can cope with it, and that will create a problem for the long-term future of the Island.

I believe that small appropriate developments, progressed over a period of time, are the way forward on this and I believe that we already have the provision in legislation and therefore, because of that, whilst I support what the hon. member is saying in terms of the problems being encountered and problems that I believe are growing, I will not be supporting the motion on the agenda because I do not believe it is necessary and I do not believe it would be a proper, effective way to deal with the issue.

**The Speaker:** Hon. members, I am somewhat concerned that so far the contributions to the debate have tended to widen away from the motion which is on the agenda paper, which is

leave to introduce. It is moving away from that and I am conscious that even the seconder to the motion actually spoke effectively against the motion. To that end, hon. members, whilst I have no wish to stifle your debate in any way at all, I would be interested if any member indicates that they wish to support the motion. The hon. member for Glenfaba.

**Mr Gilbey:** Mr Speaker, I do not believe that we should vote to give leave of introduction of a Bill if we in our heart of hearts do not believe that that Bill is something that we would support. I believe it is a complete waste of time to vote at this stage for leave of introduction if you know that you do not agree with the Bill and that you are going to oppose it all the way, and often for that reason I have opposed the introduction of Bills, sometimes being the only person to do so, because I believe it is a total waste of time and effort to agree to something being introduced, have all the legislative draftsman's work in drafting it, have the time taken up in this hon. House if you know you do not agree with it. If you do not agree with it, say so now and vote against it.

However, I personally support this Bill and I think it could give a very useful power. It does not say that a Planning Committee has to use this power, but it gives them what I believe would be a very useful power. Now, like at least four other hon. members of this House, I have had the privilege for a short time to be chairman of the Planning Committee, and I well remember one of the greatest problems was that of true local people who had been born and brought up in a country hamlet or village and who wanted to build a house there. I can think, for example, of a family near St John's who lived in a hamlet. The father had lived there for very many years, the daughter lived there, the son got married but he could only find a house at Foxdale. Now, he wanted to live where all the family had been in this area near St John's - which I will not mention in case the family could be identified - and this was a great planning problem because everyone on the Planning Committee sympathised with his wish. He had a piece of land but the fear was that if one gave permission on that piece of land other landowners would say, 'Permission has been given there, there is a precedent for development in this particular small area' and one would not be able to resist other people doing the same. In the end I am glad to say a way was found, because a farmer gave up a farming commission there for this person to have a house built and he now lives happily there near the rest of his family, but it was extremely difficult and there is a very grave danger that if you try to help a local person like that a lot of other people, probably developers, will come along, will get land nearby and ask for planning permission and, even if the Planning Committee refuses permission at the initial and review stages, an inspector may give permission because the precedent has been given to the other person.

Now, the trouble is you can say, 'Well, why not build more houses in the country?' but this is undesirable in many ways because you could have the whole countryside covered with houses, because there is no doubt that with an expanding financial community more and more people want not to live in towns but to live in the countryside and commute, and at the present time there is no way to just give permission to the local person but be sure that will not be a precedent for others. As I say, there is a constant demand from people living in towns to live in the countryside, and this is not just in the Isle of Man; it is the case in the south of England where now, in many villages round London, it is impossible for the locals to find a home to live in there because all the houses are bought up by rich commuters. There is a further problem

of having communities based on commuters, and that is very often, sadly, the commuters do not take part in local life that true locals do. One sees this the whole time.

Therefore, I believe that if the hon. member for Onchan could produce proposals which would help to overcome this problem and could ensure that there was a way where local people, born and bred in an area, could be given permission to develop a house there for themselves and their families, but this would not be a precedent for the flood of wealthy people to do the same. I think he would have performed a great service to our rural communities. Now, it is certainly going to require very careful drafting and it is going to be a difficult thing to do, but certainly I believe myself that he should be given the opportunity to try and do it and I would support him in doing so.

**Mr Cannell:** Mr Speaker, I rise also to support the introduction of the Bill - leave to introduce, that is - with the similar reservations to the previous speaker. I think we do need to do something about it and, if Mr Karran's item on the agenda today has done nothing else, it has stimulated people to consider the subject perhaps more fully than they might have done otherwise.

We spent a lot of time yesterday - or most members did, anyway - talking about Manxness, the definition of a Manxman and of course now that is very different to what it once was, but I do think that there is a difficulty for the local people to get on to the housing market even though in a moment I shall illustrate that perhaps it is not all that more difficult now than it was 30 years ago, but we are talking here about a move to bring in a measure to do something about it, and although we have heard the preceding speaker say you should not actually go for this if you do not intend to support the proposals in full at a later stage because of the incurring costs, then I would say I do not entirely agree with that, because we have not seen the Bill and of course we have the possibility of great amendments to it. Only recently I was amazed to see a measure virtually turned upside-down and one word of the original motion remained of a motion on the agenda. It was amended to leave one word in and I must say I had an element of surprise about it.

But, dealing with the matter and trying not to broaden it out into a full-blown housing debate - though I do not think there would be much harm if we actually did do that some time - as the hon. member for Castletown has said, it is a subject that probably needs addressing more urgently than many which we sometimes address ourselves to. But I do have sympathy with this and it is a question of how to deal with it to get the needs of those who are crying out and I think we all have people who are coming on to us saying 'What are you going to do to help us?' As I said, I do not think it is any more a problem now than once it was, and a couple of figures I have jotted down here - you talk of a first-time buyer's house at £75,000, which does sound a lot of money, but for that you are getting a brand-new house, often semi-detached and often fitted to a degree. That is a brand-new property. Now, you could say that the brand-new properties now and the brand-new properties pre- or just post-war are not of the same type, and we have seen many of them in a very poor state, not long after they have been built in some cases - not all but in some. Now, if you look at the figures for 1969 and 1999 you should be able to easily work out that it takes around six year's pay to pay off a house of £75,000 - that is, of course, if you were devoting all of your wages to it as a scale, because it would be £75,000 divided by about £250 a week. But it was eight years' pay in 1969 because the houses were around £5,000 and the average wage of the ordinary

workman, I suggest, was about £12.50. So it is not actually any more difficult, in fact, it might be slightly easier for that to be found. And the mortgage rates are not dissimilar either; they are not too dissimilar at that.

So perhaps the expectation has changed. We do not begrudge everybody the opportunity to improve their lifestyle because what you were getting then for your money, your £5,000, certainly was not a brand-new house; what you were getting was a pre-war or a post-war terraced or semi, and you got it as it was. Certainly in my case we got it even cheaper than that because it was so run down. It had never actually been owned, the property which we still reside in, and that was the reason. It had been part of an estate. But as many other families did in the Isle of Man, you accepted that and you knew that you would spend the ensuing 10 years 'doing it up', as the expression goes; re-wiring it was one of the primary requirements. The windows in Ballabrooie, certainly, and many other areas of the Isle of Man, were the old metal-frame ones where you opened them but you could never shut them. All that needed entertaining but we did not then have the expectation of having two or three cars, continental holidays and heaven-knows-what digital televisions to go with it. You put absolutely everything into your house at the time - the lot. You took part-time jobs to pay for it. Three and four jobs people held in the summer season.

So I do not have all that much difficulty in saying that if you try to aspire to something better you have got to do a similar endeavour now, but I do think we still have caught up in the Isle of Man a number of people who cannot get going. The local authority housing was mentioned as being the traditional first step. That is not so easy to attain either with the residential qualifications, the way the population is moving. Yes, people often used to reside with their parents in commissioners' houses or LGB houses. I do not think that is quite as prevalent as it was in those days now. But I do not have a difficulty with accepting Mr Karran's obvious sincerity. He brings these things along and I go with public opinion and, even since he has put this forward, you get the vibes and they say he is on the right lines. Now, on the right lines and having a Bill accepted in full is going to be quite a gulf to bridge, but I am sure that it can be done with the good will of this House.

Governor's Hill has been spoken of in a rather derogatory fashion, I think. (**A Member:** Hear, hear.) Well, I go to Governor's Hill and I think it is a great place. All right, it is probably a little bit tight on the numbers of properties which are built in the area but it looks good, the roads are restricted so it is not a grand prix track through there, the place has been done up well by the developers and I applaud them, and across the road at Heywood Park, which is in my constituency - the TT course from Signpost to Bedstead is the dividing line - a nice little estate there with a very good mix of population and of needs of local authority and private dwellings. We are told doom and gloom; the Isle of Man is still a great place to live and there are a couple of ghettos - I am not going to say where, but there are a couple of ghettos. We do not deny that. There are places that we would prefer had not been built but they are very, very much in the minority and, though we lament when we go in an aeroplane flying over the Isle of Man and look down and we see a little bit of a sprawl, which is Douglas, Onchan and Braddan now all combined - and nearly out to Ballacraine eventually, I suppose, it will all go - nevertheless there is still a lot of the Isle of Man still in very good condition and free from housing developments, and long may it stay so.

Now, the hon. Minister for Local Government has promised us that good things are coming jam tomorrow - and we do, of course, accept his word on that and I think he should be given every opportunity now to present these proposals, we will look at them and I am sure that the hon. member, my colleague from Onchan, if he finds that those proposals are sufficient to satisfy his desire in this regard, may well come to an arrangement with him to do it by a different way. The Bill may not actually go forward. I am sure that if Mr Karran examines the proposals and finds the need is addressed he would be sporting enough or responsible enough to say, 'That is exactly addressing the problem as I see it.'

So there is not any problem. Private land is going to be made available at reasonable prices and, just to swing the light again, it is not, or it does not seem that long ago anyway, when we used to see little markers in the ground up in Barrule Drive in Onchan with '£500' written on them. Five hundred pounds for a plot for a plot, and no-one then at the time could believe it because no-one had ever paid for a plot for a house before. You always got the plot more or less for nothing and there was a condition on it, as I recall, that if you did not build on it, having bought your plot for £500, I think from memory you had two years to start building, otherwise it went back to the local authority. That was an imaginative scheme by Onchan Village Commissioners, as they were at the time. They were snapped up, of course, and now, if you could get that at the same scale, perhaps 20 years ago, maybe the plot would be about - I do not know - £20,000 maybe, maybe a bit more, but that was the sort of scheme that made the Onchan Village Commissioners at the time so well thought of and set them on the road to being the district commissioners they now are still with the same respect. But the trouble is they have run out of areas to do it, and you have developers in Onchan doing a good job. Perhaps it is not to everybody's liking to have places in Maple Avenue but they are fine properties, they are good value for the money - and this is not an advert for the developers. Further down, of course, you have quite the opposite. You can go for a tour along the Majestic Drive area and you see these wonderful pearly gates opening up. I do not know whether you have seen them, Banks Howe - unbelievable! And you drive along there and you say 'How do they do it? Where are all these people coming along to pay a quarter of a million pounds for property? Where do they come from? What do they do?' and more or less 'Why can't I have one?' and you know you will never aspire to it as an ordinary working Manxman. You could not possibly ever aspire to what they think is a fairly modest dwelling.

So you have got an Isle of Man with a two-tier society already, the haves and the have-nots. You cannot have it both ways. You cannot have a budget like the hon. Treasury minister presented last week with all its appurtenances, rights and privileges. That has got to be earned and it is earned from those people who are paying income tax to come and live in the beautiful Isle of Man.

So I shall support Mr Karran this morning in his endeavour here. I believe he is sincere, as indeed he was with his preceding motion last week. I do not think he will do quite as well with the vote this time. It was unanimous, wasn't it, the last time? He is still reeling from it. He cannot believe it happened! But I do believe that housing in the Isle of Man is difficult for the first time-buyers to get going and therefore if it serves no other purpose it has focused attention on it and I will give him my vote for leave to introduce.

**Mr Cretney:** Mr Speaker, the last speaker said today's debate had been useful in as much as it had stimulated some people to consider this subject more than we would

otherwise. I have to say I do not agree at all with that suggestion. Can I suggest those of us who are dealing with the public on a day-to-day basis, dealing with housing problems on a day-to-day basis - there is no bigger problem on this Island than housing and that continues to be the case. So there is no need for it to come here in this way for us to be stimulated. We are stimulated on a daily basis.

But the fact is that the housing situation is a complicated equation and we have before us today one element, and I think to take one element is not the correct way to go forward and also when we are talking about it being part of the planning process, I feel that is going to be fraught with difficulties. We have seen the experience elsewhere. We have seen what goes on in Jersey and Guernsey, and that exacerbates the two-tier society. It is far worse in those places and I do not want to see the Isle of Man going that way. (**A Member:** Hear, hear.)

Now, we have been told by my hon. friend here on my right and by the Minister for Local Government and the Environment that the housing review which has been undertaken by the Department of Local Government and the Environment is imminent. I think, and the feedback the hon. member for Onchan, Mr Cannell, has had, would be just as interested in what those proposals are going to contain rather than just taking this one element. That is what the people want to hear. They want to hear what is the overall picture going to be, what are we going to do, and an essential element of that is a revisit of the government mortgage scheme, and again, the Treasury minister has indicated that he is going to look at that. Now, I think, if you want my two-penny-worth - and I am going to give you them anyway! - that regarding the government mortgage scheme there are two elements which could assist in particular and that is, in terms of the first-time buyers, a specific scheme to help them and secondly, those who have lived and occupied local authority houses and who may find themselves in a different position than they were when they entered into those houses and may wish to enter onto the housing ladder. I think a specific element tailored towards that specific need, to enable people who wish to move onto the housing ladder, would be very much welcomed, because inevitably they have brought up families, they have lived in local authority houses for a long time and so it is going to be more difficult for them to get a normal mortgage. So I think if we can look at that element it would be helpful, and I have no pre-advice whether that is being looked at, but I just put that into the pot.

Now, the mover referred to the Pulrose redevelopment and that Pulrose should have been a mix of first-time buyers' and local authority houses. Now, those of us who have been campaigning actively in co-operation with the local authority - and it is good to see the leader of the local authority here today because I am sure he will agree - will recognise that the fact is that there are going to be less houses in the new redeveloped lower Pulrose scheme and it is going to be environmentally a thousand times better than what exists presently, but what it will mean is that there are going to be less houses, and actually the pressure is for more houses, not less. We need more local authority housing, not less. However, it is recognised that in order to improve the environment there this is a compromise and I think it is a worthy compromise (**A Member:** Hear, hear.) and I think that area will be improved out of all recognition. (**Several Members:** Hear, hear.)

As I say, the other element I would like to speak about - and again, I apologise for widening the debate but it is a bit difficult not to do so in as much as the hon. member, when he introduced the debate, talked slightly wider than the actual matter that is on the agenda -

another area which I hope is being examined and which I think would assist in this whole housing equation is if we have the provision of more suitable accommodation, again local-authority-wise, for elderly folk in terms of either two-bedroomed bungalows or sheltered accommodation because presently, for a long time, those larger local authority houses are occupied by people who have lived in them, brought their families up, who wish to perhaps remain in the area and who recognise that they are under-utilising the property but there are no alternatives available. I wrote to Douglas Corporation recently in relation to people in my constituency and I was told back that there had not been a two-bedroomed bungalow available to rent, I think, off the top of my head, for two years. Now, there is definitely a need for more of that kind of accommodation, because there need to be two bedrooms because of medical conditions and one thing and another as people get older and they also need to be on the flat. If we were to make progress in those areas I think that would free up a lot of local authority houses and would assist in the overall equation.

I do not want to take it away from the hon. member for putting this on the agenda today. It is obviously his right to put down something for us to consider. However, I would say that to take one element, as we are doing, in his proposal is not the right way forward. I am as anxious as anybody else in here for the department to come forward with their proposals, for us to have before us a revised government mortgage scheme, and the sooner we have that the sooner those outside will see we are doing what they want us to do.

**Mr Downie:** Mr Speaker, I am afraid, based on the member's introduction and his initial request to seek leave to introduce this Bill and the debate thus far, I feel that I am not in the position where I could support that leave be granted to introduce a Bill, and a lot of the reasons that I feel is that housing is a very, very complex issue.

I just briefly want to touch on the comments that were made by the hon. member for Onchan, Mr Cannell. He made a very valid point but one which we have to accept that we have moved on considerably for. He did outline to the House today the outstanding work Onchan Village Commissioners had done. They acquired that land, they marked it all off in service plots and they sold it on to people and, as Mr Brown quite rightly said, there were provisions to do that under the Housing Act. Admirable, but look at what did happen: people bought plots, they got their friends, their brothers-in-law, their cousins twice removed, they got together and they built the houses themselves and, with respect, that is not the way we do things now because it is very, very difficult. It is not cost-effective to build your house (**Mrs Crowe:** Yes, it is.) as it was some years ago, not when you are talking about producing houses for a first-time buyer market, and anybody who understands housing will know that you can build a basic Parker Morris category two-bedroomed house, excluding the land values and service provisions, for between £39,000 and £41,000. Now, that is laid down. That is what a house can be built for.

Now, I think what government are trying to do is exactly correct. Government are trying to acquire land; they are trying to bring together a situation where builders and people in the construction industry are willing to get involved with government, build houses on that land to the Parker Morris specifications and then the element which is the land is the part that forms the subsidy. So the land costs really are the ones that are met by government, and that is a way of supporting the first-time buyers element. At the moment government has probably enough land to build between 400 and 500 first-time buyers' houses on. I think what you have

to accept is that although we have the land in the land bank we do not yet have the means by which to service it properly. In other words, there are drainage problems, there is a requirement to put sewerage provisions in and, as the hon. member for Castletown said, he is trying to promote development in his area but one of the biggest impediments to development in Castletown at the moment is the drainage problem. Every time I have dealt with a planning issue in Castletown for large-scale development the downside of it has been the inadequate lack of sewerage provisions.

**Mr Brown:** There were not on a large scale.

**Mr Downie:** Well, I am sorry. Anything over about 10 houses in my opinion in Castletown is large scale.

Now, to get on to Mr Karran's motion that is before us today, he did make reference to building odd dozens of houses . . . It is very difficult to speak, Mr Speaker, at the moment with all this chatter. . .

**The Speaker:** Go on, you have the floor, sir.

**Mr Downie:** Right. Mr Karran made reference to the fact that he wanted to put odd dozens of houses here and there at Port Grenaugh, Quine's Hill and so on and so forth. Now, is that really the way we are going to go about our planning policy? It is in direct conflict with what another government department - that is the Department of Transport - are trying to do with regard to drainage. It is not in their interest to set up odd hamlets here, there and everywhere because in fairness - and I do not mean this in a critical way - we are being held back because we cannot get on and get IRIS up and running. It does take time and I know that the department are keen to push it forward as fast as they can, but it is being counter-productive at the moment as far as housing goes. But saying that, I think the department are aware of that and they are trying to do their best to combat it.

Now, as well as having these houses in these isolated areas, what facilities have these people got? There are no village stores, there are no shops. Where are these children going to go to school if you build a dozen houses in some of the areas that the member has referred to?

**Mr Brown and Mrs Hannan:** Santon school. (*Other interjections*)

**The Speaker:** Hon. members, the hon. member for West Douglas has the floor.

**Mr Downie:** I have got news for you minister: you closed it, Santon School.

**Mrs Hannan:** I did not.

**Mr Downie:** You did!

**Mrs Hannan:** I did not!

**Mr Downie:** The member also went on to make reference to restricting the purchase to those who have a residential qualification. Well, in 1986 I am reliably informed there were 64,000 people here who had a residential qualification. I take it, 10 years down the line, that is probably 68,000-69,000 people with a residential qualification. How do you apply that if everybody exercises their right to want a house? It needs to have a lot more thought put to it.

I was pleased at the input that the hon. member for South Douglas had, Mr Cretney, because what he highlighted too was in my opinion the best way to tackle this problem, where, if we are having first-time buyer's houses, we have to look at the best way of using the existing housing stock on the Isle of Man; if that is giving priority to young couples below a certain age who are living in local authority property and if they feel strongly enough about buying a house, they can move out of their local authority, leaving it available for somebody else, and I would not be averse to paying those couples some sort of a bounty in order to encourage them to do that (**Members:** Yes, yes.) and then create a movement in the housing stock, particularly where local authority housing was involved. We do need more provisions for old people - elderly persons' dwellings, sheltered accommodation - and if I have not told the hon. member for Onchan, Mr Karran, before, I am going to remind him again, his local authority at the moment are currently pursuing the building of a 40-45 units block of sheltered accommodation in Onchan at this particular time. So there are things moving on the housing front and I think the way forward for the best utilisation of our stock is to concentrate more on people at the older end of the scale where they can free up two and three-bedroom properties which they currently occupy, and I am sure that there will be help with the overall numbers of people requiring housing.

I think the subsidised idea that government buys the land and then subsidises it to first-time buyers is the best way forward. It is quite a simple thing to do. You can introduce a competitive element and get some really good tenders which are value for money. I do not think we could really progress through legislation a special system of planning permission for special groups where they were restricted for people who had a 10-year residential qualification.

I think any scheme to accommodate locals, as suggested by the hon. member Mr Gilbey, would be discriminatory, and you know what the Isle of Man is like: it would be wide open to abuse. You would have all sorts of people coming in here claiming that they had an association with a particular area or 'My Uncle Tom's coming back from Canada' and 'Joe's coming back from Australia.' Where would it end? You really cannot, in my opinion, get involved in situations like that.

I think, hon. members, although the hon. member for Onchan, Mr Karran, is full of good intent, the path that he has laid out before us today is fraught with difficulty and I would urge members to give more thought to what government are actually trying to do and what government policy is at the moment and wait and see and have some confidence in the departments who are trying to address housing and the mass array of complicated issues that it brings along with it. Thank you.

**Mrs Hannan:** Vainstyr Loayreyder, I must say I have some sympathy with the comments made by the mover of this motion with regard to the problems that people have in the countryside. I think a lot of the discussion today has been about people living in towns and, as a city representative and somebody who has lived in the countryside, I appreciate some of the comments made by the member moving this motion. It is people in agriculture who have difficulty remaining in the countryside and being able to live and work in the countryside, and the comments made by the mover in suggesting that it should be two houses here and two houses there and a small development somewhere else connected with hamlets I think has a lot to be said for it. Small developments, I think, would be more acceptable than maybe

bungalows in the countryside, which tend to happen because somebody is retiring, they can afford to build a bungalow in the countryside and you get a number of bungalows spread up in corners of farms or whatever, and I do not think that is the way ahead that we should be looking at at the moment. I think there has to be an overall approach to people being able to live in the countryside, and if that means that government or a local authority should buy land to allow people to do that, then that is one way of looking at it.

We have heard comment made about large developments in towns and close to towns but I think that is what has caused a number of the problems that we have had in recent times, with people objecting to large developments in some of these areas. We saw it many years ago with Friary Park. There was a resistance to that; however, that was forgotten when some of the other areas were developed and yes, we needed housing, but I think the thing which has been most frightening to people is the size of the development which then overwhelms their local community. (**A Member:** Hear, hear.) I had concern expressed to me only recently, somebody who wants more business in Peel but is concerned because there is some land that might be developed creating something in the region of 900 houses and they were most concerned that this was going to happen. Now, they wanted business and they wanted more people moving in, but they felt that that size of development was much too great for the city of Peel to be able to absorb comfortably, and I think that is one of the problems that we have got.

Now, if I could return to the comments made by the mover, I can appreciate all of that but I think this is putting a new condition into planning approval, and what I would like to see, as I think the member for Castletown mentioned, is that planning is being given for good planning reasons and, if there is no good planning reason for it, then that is fine, and I believe that the strength of opposition may have something to do with some of the reactions that there have been in the recent past, but if there is a good planning reason for something to be developed, then that should be the reason that it is developed, and I am concerned about introducing another conditional planning permission into this process. As I said, I have a great sympathy with the member moving it but it is more emotional than actual practical of trying to answer this problem.

There are many other conditions that could be added in planning. There could be a condition that there would be a restriction on enlargement of any property in the countryside. Now, a property is built, that is the size of it, and you will not develop it so it is bigger. So it will be for a family in the countryside and not somewhere which is palatial and out of keeping with the countryside. But I come back to the situation that, yes, that would have to be done through the planning process but by bringing in this legislation at this time where we have just got a new planning Bill which we have just taken through - I am not sure whether that is the right way to approach it. I will not be supporting this today but I do think it is a good debate to address the situation of actual development in the countryside and how rural people can continue living in the countryside and being able to afford to live in the countryside.

So I welcome the debate that we have had but it is not answering anything and I would hope that some local authorities who maybe have not thought about purchasing land or purchasing properties in the past could assist people to continue living in rural communities and working in the communities that they wish to live in.

**The Speaker:** Hon. member, if you will just resume your seat a minute? I am reluctant to stop you in flow -

**Mrs Hannan:** That is fine, I have finished.

**The Speaker:** - but the hon. member for West Douglas has just given me the ideal opportunity. Now, with respect, Mr Downie, when you were on your feet you did ask that the opposing bench had respect and listened to you. I would ask that you pay similar attention to the hon. member for Peel when she speaks. Both benches are guilty and that has given me the opportunity this morning. Continue, hon. member, please.

**Mrs Hannan:** I was just winding up, Vainstyr Loayreyder. I would apologise to you for talking during someone else's debate and I conclude my remarks.

**Sir Miles Walker:** Mr Speaker, some little time ago we changed our standing orders to allow, or to encourage perhaps, a substantive debate on a resolution for leave to introduce a private member's Bill. I welcome the debate we have had this morning because it seems to me it is exactly right that this sort of attention is paid to a Bill before leave is given or refused to introduce and that I hope we are getting away from the thought that, 'Oh, well, it is every member's right to introduce a private member's Bill if we don't really agree with it because we'll oppose it in due course when it comes forward on to the floor of the House.' It seems to me that that is just a waste of resources, so I think the debate this morning has been a good one and I do believe that the hon. Mr Karran should have some compliments for introducing it and allowing the debate to flow.

I certainly accept the point made by the hon. member for Douglas South, Mr Cretney, that, because we have not all put motions such as this down, perhaps it should not reflect on us all as not caring about housing problems. I am sure that hon. members would accept that.

I think the question we need to ask ourselves - and I can relate to many of the criticisms and problems outlined by the hon. member Mr Karran when he was opening the debate - is, is this problem one that can be solved by changing legislation to allow planning conditions to be attached? I am not convinced that it is. The situation in the Channel Islands has been alluded to and it is Guernsey, not Jersey, that has the sort of two-tier housing system, and I have to say it is a situation that I would not like to see imported into the Isle of Man. As I understand it, Jersey has a sort of quota system which allows so many incomers into the Island in a year who then can bid for available property, but the two-tier property system that I think the hon. member alluded to was Guernsey. Now, the hon. member holds up some papers that I am not aware of. A two-tier housing system, wherever it comes from, I do not believe should be acceptable in the Isle of Man. (**A Member:** Hear, hear.)

So I would, from where I come from, say that the problem cannot be solved by changing our planning legislation. I do think, though, that the problem we are talking about and facing today is particularly one caused by planning but I do not think we need to alter legislation to overcome the problems that have been identified by some members. It seems to me very clear that the more you limit available land for housing, the more expensive what is left becomes, and I think we need to be concerned about that. I do think that the planners do not encourage small developments of modestly priced housing and I would like to see them do that. It seems to me that the system militates against that happening and, where you have small areas of land, the tendency is to say you can only put one or two dwellings on it and, because of servicing costs and so on, of course the price goes up.

Comment was made during the debate about proposed developments being too large-scale and overpowering the local environment, and we all know about the high profile planning application that was made in Kirk Michael a short time ago. That in my view is quite within the control of the planners. Phasing is an option, it is acceptable, it has stood the test of law. Housing can be phased. You need not be overwhelmed. You can start small and over a period of years allow more development to take place as it becomes more acceptable, and I do think we need to be careful about putting stipulations, requirements and conditions on developments which price them out of the modestly well-off person's pocket. So I think planning has a place to play in this, but the point was made by the hon. member for Castletown and others that we do have legislation in place at the moment which can be used by housing authorities, whether they be local authorities or government, to purchase land, to sell it, developed or undeveloped, to anybody that it is decided is in need, whether it be young people, local people, modestly well-off people or whatever, and the way to do it then is to attach a legal covenant rather than a planning condition, and it seems to me that that is the way forward and that is what we should be encouraging our housing authorities to do.

So I welcome the debate. I am sure that the hon. member has put his finger on a very real problem and a growing problem in our community and I think during the debate a number of ways have come forward to assist in solving that initiative and, if this debate has encouraged the planners and the Department of Local Government to come forward with a rehashed housing assistance scheme, its housing report and so on - and we know they are on the way, just let us urge them along in the proper way - then I think this debate has assisted and done us all a favour.

**The Speaker:** Can I invite the hon. member for Onchan, Mr Karran, to wind up?

**Mr Karran:** Vainstyr Loayreyder, I will just start with the hon. member for Rushen, the ex-Chief Minister, and I must say - I think this debate has been conducted in rose-coloured glasses as far as the housing problems are out there at the present time today - it is all right him saying about getting leave to introduce and arguing the fact. The issue is, if you have not got the blessings of either of the two major groups within this hon. House you could bring up legislation that was brilliant and it would go out of the window because there are not the numbers here to be able to get it. I think it is all right him saying about the system, but I think the point is that it is important to give leave to introduce on Bills in order to get the detail of the Bill debated, because there seems to be some misinformation as far as that is concerned.

He mentioned about the 1955 Housing Act. When was it ever used, ex-Chief Minister, when you were a member? It was never used. It is a piece of legislation that is meaningless, because basically what it is dealing with is the acquiring of land for local authority housing. It would never be used for the 1955 Act, and in 1955 there were more than likely three houses built. I know there was one built in 1959 so how in 1955 they looked at the problems that we have today is absolute and utter nonsense and just an excuse for doing nothing.

Now, the hon. member for Rushen was quite right: the cost is all about the limitation of land and he has a very, very valid point as far as the issue of what the price of houses is. It is to do with supply and demand but I would suggest, as I said in my opening debate, if we want to develop another 850 houses, which means there also has to be a school built and all the other social amenities have to be built, then we can solve the housing problem tomorrow. In 18 months we can have it up and going, but is that the way you want to solve the housing

problem in the future? I think the hon. member has not come up with any alternatives to what I am asking for. I am not saying this is the answer and the be-all and end-all. What I am saying is that it is a suggestion of trying to put a rung on the ladder that would work, in my opinion, if there was a political will and it was drafted in the right way, but I would say there is a rung in the ladder. That is what it is about, rungs in ladders, and I believe that what I was looking for - it was not just about any ordinary planning permission; it would be a restrictive covenant and it would be dealt with under my legislation. If they wanted to change that R-registered planning it would have to be a change in the law. That would be the price of that planning permission.

Now, I welcome my hon. friend from Garff for having the decency to at least get the thing debated in this hon. House and showing the sort of parliamentary spirit that is so lacking in this hon. House today and it is something which is a growing problem, ghettoisation if you are not on one side or another. But I must say to him that he says that he sees such trouble with my suggestion . . . I am not suggesting that all property would be put under this restrictive covenant. I am not saying that you would put designate land on a field to have this restrictive covenant, but what I am saying is, if the Planning Committee are being forced into an issue of building a couple of houses in an area for so-called the local residents, I do not see why, once they have got that planning permission, they can then just go along and cash it in and they have quadrupled - not doubled, quadrupled - their money. I have a problem in my own constituency at the moment - a young fellow, a small agricultural holding, wants a house; lived in Abbeylands all his life, but the problem is he cannot afford a house in Abbeylands. If we give him a farmworker's cottage-type undertaking we could not really justify that because farming is changing, it is going into part-time labour. Now, if we give him that planning permission, that plot of land goes from two grand as an acre of land - you know, £1,000, £1,500, maybe two grand for agriculture - to £100,000. If I was on the Planning Committee I would be very very reluctant to give planning permission. Now, this does not stop him selling it on and I am not saying it does, but what it will do is have an effect on the value of that planning permission that is on that property. That property will have that. He will not be able to just sell it to someone who gets off the boat. There will be a restriction on it on who can buy that property, and I believe that is not unreasonable in this day and age.

I am not saying that this is the answer to the hon. member. This is one of the issues that need to be addressed, and it needs full debate. He mentions Santon, for example, where the Chief Minister, my former constituent lives, and when my former constituent was not in this hon. House, many other people in Santon were bitterly complaining that the rural life of the parish of Santon was being destroyed because no working person could get a property built in Santon unless it was a quarter-of-a-million-pound job, and I beg to ask the Chief Minister if he differs from that viewpoint from then. That was a major planning problem, and the major planning problem was that once a small development was done it could be put on the open market and the locals could not even touch it, because if I was a nice chief executive off the boat I could have that place, and the locals. And that was something that happened. Now, I understand what the hon. member was saying; he does not want areas designated for planning permission, fields designated as local reserves, and I totally agree with him, but what I am saying is that what my Bill would do is put that facility in that where it is a grey area we would give them planning permission. There would be at least this restrictive covenant. It is about flexibility, and I would suggest that he may not like the idea of putting a couple more houses around the different hamlets at the present time, and that is an issue for the Planning

Committee. All I am saying is that if they went down that road, this would be a device for at least allowing that the price of that property would be lessened so there would be more chance of people who live in this community long-term to take advantage of that type of accommodation. Is it such a sin to try and help our own people? It is about time we realised that it is not a sin to try and help our own people and level the playing field up.

Now, the hon. member for Ayre, my colleague, as far as his issue is concerned - we have had long debates and I welcome that he has given me his time and I think that he is going to address a number of issues, but at the end of the day, if I get leave to introduce this Bill, if it gets to the stages stage and committee stage, they might decide to create the device that for first-time buyers' houses they might want to include them in this sort of planning permission, because the point has been raised, Vainstyr Loayreyder, over the issue of Birch Hill. Birch Hill is now out of the reach of most people, never mind first-time buyers, and what we are ending up doing if we are not careful is pushing them into ever smaller, confined spaces, because what happens is they are on the free market and the labourer who is working for the local authority has to compete with the man that comes over here for two or three years working for the finance sector, and what I am trying to do is create that rung so that we can say at least we are lessening the demand, but at the end of the day the issue is, we put a residential restriction if you want a council house which because it is subsidised housing then I cannot see what is so alien about having this further looked at.

I know the hon. member has looked at Jersey and I looked at Guernsey, because Jersey is beyond the pale as far as many of their issues, and you will find more of the Jerseyans living in Portsmouth and in Plymouth than live in Jersey. They have been squeezed out, and gone absolutely. And the hon. member says, has it worked? The thing is, they left it too late; that is the problem within Jersey. If you could not succeed in the finance sector you have withered on the vine, and that is what happens unless you manage to play the system, and that is a danger. We should learn from the mistakes of Jersey, and my Bill is not what they have got in Jersey. My Bill is purely a planning issue at the present time because, quite frankly, I think there is far too much vested interest for this hon. House to look at the issue of a system like that because there are too many of us with too much to lose if we go down that road.

He talks about a planning nightmare. Well, I do not know about his planning nightmare, but it is a nightmare for young people to get a home now, to try and buy a house. It is impossibility. When I listen in this hon. House and I hear the talk about giving subsidies for council house tenants to buy a house I am all for it. I have listened to it for years. I have asked for it for years, but there is nothing, and I do not know - maybe it is on the horizon with this new housing report, but at the end of the day this is about putting a rung on the ladder and I feel this House would be acting in arrogance if it throws this leave out, and I think the hon. member has to defend his position as a member of his department and vote against the leave to introduce.

May I say, when I was talking about Pulrose, I was not talking about the new standard of housing, - a wonderful proposal. What I was talking about was social ghettos; that is what I am on about and I hate the way I am repeatedly being misquoted and misrepresented. When I was a member of the Department of Education I fought violently against a non-mixture of social economic kids going into schools. We should not have schools in this country where they are purely council house schools. We have got them and we are increasing them and we

will pay socially for them. I believe housing has an issue to play within that, and it has an issue to play within law and order as well.

At the end of the day I believe the hon. member is wrong not to support leave to introduce this proposal because I feel it will have no effect on his housing report when it comes, if it comes. It will have no effect but it will be something that can be debated in more detail in this hon. House. Now, we have heard from the hon. member for Castletown about first-time buyers in Castletown, but can't he see that if we had the option of some sort of status properties at least there would be that rung in Castletown if there were certain houses in Castletown and, if this principle was extended to government mortgages at a later date, then at least there would be houses in Castletown and everywhere else where there is a restrictive covenant and where it will have an effect of 10 or 15 or 20 per cent on the property market, which will make all the difference to that individual, that local, being able to buy a house in his community? That is what this is all about.

He talks about this 1955 Housing Bill. Well, I am afraid if they were seeing the problems of today in 1955 I would be very surprised. I would be interested to know how many houses were built in 1955 for the public sector. I think it was one in 1959 and about four in 1955. So it was never intended, and it is rubbish for this hon. House to believe that this piece of legislation was intended for that purpose. That piece of legislation was intended for local authority houses (**A Member:** It was not!) and that is the reason why it was intended (*Interjection*), and I feel it is wrong for him to try and make out that we were looking to the future as far as that is concerned, and I think it is wrong for him to say so, and I am afraid that the issue he was asking about, where he has had to lose all his young people out of Castletown to go and move to Governor's Hill because there is nowhere else to buy property, is not going to be addressed unless these sorts of issues are going to be addressed. And this is no slur on Governor's Hill, but what I am saying is, is it good housing policy? I hope the hon. member will change his mind.

I appreciate the support from the hon. member for Glenfaba, because he deals with a rural constituency and this issue is a major problem in rural constituencies about the viability of rural communities, and there is a cost to us by not helping rural communities and that cost is your new Ballacottier School, your new Scoill Vallajeelt, apart from half-a-dozen houses on Saddle Road which were inherited from the Braddan Commissioners - all private houses. At least with your Santon School you had your mix, but, because there were no houses built in Santon that people could afford who had families, it was shut. So these issues all have to be debated when it gets to the clauses stage, and I am glad the hon. member for Glenfaba was quite willing to allow the issue to be debated further, because I think you are doing a disservice to the people outside this hon. House if you do not support it.

I thank the support from my colleague. I appreciate his support and I agree with him. I hope it is not seen as detrimental as far as talking about Governor's Hill. It was a good thing. I was delighted. Overnight I did not have people crying at me because of the ridiculously high rents. There were houses for people to buy, but unless we look at new, novel ways of dealing with our housing issue the only way forward is to build another 800 houses; as the hon. member for Castletown says, 'A new town somewhere' (**Mr Cannell:** Jurby.) with all the issues that will come with that sort of development. My Bill, as he appreciates and I appreciate, is not the answer, (*Interjection*) but it is about putting an issue that could be part of the answer.

There is no one answer to the major issue of housing, and I think no-one could stand up here today and say there is an issue where we could . . . Maybe the issue that the hon. member for Rushen said and we just let everybody build wherever they want and there was a free for all - that would solve the housing problem tomorrow, but we would not like what we would be leaving to our kids as far as an inheritance is concerned. And the hon. member is right: there will be property that will be out of the reach of ordinary working people; there always has been and there always will be. All I am trying to do is trying to make that there will be property throughout the Island, not in reservations, because that is what you are going to end up with in the next couple of years; if we do not start dealing with this issue on a more imaginative and more proactive basis, you are going to end up with the ghettos.

I am disappointed with my hon. colleague for South Douglas. But where are his new ideas as far as dealing with this issue? The new ideas have been there, and where have they come from? They have disappeared. They are not there at the moment. Here is an hon. member who is trying to produce a new idea, a new way of maybe looking from a different angle when we are talking about housing our people, and here we have this Luddite viewpoint 'Well, it has not got the blessing of the Council of Ministers' -

**Mr Cretney:** Rubbish!

**Mr Karran:** - 'so it has gone.'

**Mr Brown:** He is the same party.

**Mr Karran:** And it saddens me, Vainstyr Loayreyder, that we are in the same party and we cannot have the flexibility to look at these issues (*Mr Cretney interjecting*) and I do object when he talked about the lessening of numbers at Pulrose. I am not arguing about that. That is a very good point. That is a wonderful position. What I am arguing about is that I want housing that reflects all walks of life, not in his constituency where one half are council houses and the other half are residential. That is not good for society and we are going to start paying the price in the future if we do not address that issue of making sure that we have a mixture of houses throughout our society. We will cause social problems.

I come onto the hon. member for West Douglas, and it is no revelation that he is not going to support my proposal for leave to introduce because at the end of the day there are too many in here that are frightened that it might actually work and there are too many in here that are worried that if they support this proposal it might end up dealing with all our people on the same basis. As I said in my opening speech, if we can put residential restrictions on people to live in council houses because they are subsidised, then why can't we put restrictions, if this Bill was to develop further, on other forms of highly subsidised houses? If we do not, that housing will be like the Birch Hill development now: so far in the distance to 80 per cent of the local residents that they will never be able to obtain that sort of property, and we have to deal with the issue now. I am afraid that the situation from the hon. member who has responsibility for housing - there is nothing there, nothing new as far as trying to help the fundamental issue. Hopefully in the housing report they will do the repeat of history. What I am looking at is a new facility, a new concept, and I am disappointed as far as that is concerned.

I am disappointed also at the way again we are misrepresented, that suddenly I want to build a dozen houses at every hamlet. I do not want to build a dozen houses at every hamlet, but what I am saying is that if we had this sort of planning restriction on certain developments,

at least if we did build it there is some sort of device to help local people to purchase that property. Is it a sin, hon. members, to try and help your own? I do not think it is a sin but it seems to be for some around here that it is a sin.

I also would like to make the point about local authorities doing more. I think they are trying to pass the buck too easily. When they buy land they lose the value of that land when they put it into council houses, and maybe that is a policy decision that needs to be changed by his housing department if he wants to get local authorities to be more proactive. I know it is a bitter complaint that I have with the Onchan Commissioners where they buy land through the rate fund and then they lose it as part of the equation. It will never work, even though they want to bring up the issue of the 1955 piece of legislation.

Hazel . . . the hon. member for Peel (*Laughter*) raised the issue of rural life, and the first chip at this private member's Bill would be a way of facilitating help in rural life, but I see this concept will have to be extended greatly to put the rungs on the ladder and I do not see why it would be such a terrible thing if there was that facility that that restriction was put on. That restriction, once it was put on under my private member's Bill, would not be up for debate in five years' time. That would be on that property until this piece of legislation was either changed, repealed or thrown out. That would not be on, so, from the hon. member for West Douglas's input that we heard, it would not affect Uncle Harry or whoever. The fact would be it would be on and it would be on so long as that building was standing as far as that is concerned. So it is not strictly the same situation as any other planning issue.

I would hope, hon. members, you will support this proposal. This Bill is not supposed to be an answer but I think this Bill is about trying to put rungs on a ladder. I think that this Bill attacks a number of issues that people do not like attacking, and one of them is private ownership and the restrictions that could be put on certain types of property.

Hon. members, this House, if it throws it out, throws the baby out with the bath water. It does a terrible disservice to yourselves and outside. This issue needs to be worthily debated and may I just say as a final point that I knew this Bill would be controversial. In fact, I think I mentioned to the hon. member about not putting it in his planning Bill because I knew if this was put into his planning Bill it would go off to a committee because it is so different, it is so fundamental and it is such a fundamental change. So do not try and use that as a fig leaf for not voting against this Bill because it was not put in the planning Bill. It was done for that reason because I am not wanting to be destructive; I am wanting to be constructive (*Interjections*), and I welcome the new proposals that are going to come from the new housing report, but I think we do a disservice. I beg to move and I hope common sense will prevail.

**Mr Cretney:** It will!

**The Speaker:** Now, hon. members, having heard the discussion and having listened to the debate, you now have to make a decision in relation to the motion printed at item 8 on your order paper. Will those in favour please say aye; against, no. The noes have it.

*A division was called for and voting resulted as follows:*

*For: Messrs Gilbey, Henderson, Karran, Cannell and the Speaker - 5*

*Against: Messrs Quine, Rodan, North, Sir Miles Walker, Mrs Crowe, Messrs Brown, Houghton, Cretney, Duggan, Braidwood, Mrs Cannell, Messrs Shimmin, Downie, Mrs Hannan, Messrs Bell and Gelling - 16*

**The Speaker:** Hon. members, the motion fails to carry. There are 16 votes cast against and there are 5 votes cast for.

### **Bill for First Reading**

**The Speaker:** Hon. members, we then turn to item 9 on your order paper. I call upon the Acting Secretary.

**The Acting Secretary:** The first reading of the Public Records Bill, Mr Corkill.

**The Speaker:** Now, hon. members, that brings to conclusion our order paper for today. The House will now stand adjourned to 2.30 this afternoon in Tynwald Court.

*The House adjourned at 12.29 p.m.*