

**REPORT OF PROCEEDINGS OF
HOUSE OF KEYS
(LEGISLATION AND OTHER MATTERS)**

**Douglas, Tuesday, 5th March 2002
at 10.00 a.m.**

Present:

The Speaker (the Hon J A Brown) (Castletown); Mr D M Anderson (Glenfaba); Hon A R Bell and Mr L I Singer (Ramsey); Mr R E Quine OBE (Ayre); Mr J D Q Cannan (Michael); Mrs H Hannan (Peel); Hon S C Rodan (Garff); Mr P Karran, Hon R K Corkill and Mr A J Earnshaw (Onchan); Mr G M Quayle (Middle); Messrs J R Houghton and R W Henderson (Douglas North); Hon D C Cretney and Mr A C Duggan (Douglas South); Hon R P Braidwood and Mrs B J Cannell (Douglas East); Hon A F Downie and Hon J P Shimmin (Douglas West); Mr D J Gelling (Malew and Santon); Hon J Rimington, Mr Q B Gill and Hon Mrs P M Crowe (Rushen); with Mr M Cornwell-Kelly Secretary of the House.

The Chaplain took the prayers.

**Planning — Exceptional Régime for Affordable Housing — Leave to Introduce Bill —
Motion Lost**

Item 6. Mr Karran to move:

That leave be given to introduce a Bill to establish an exceptional planning régime in the national interest for the development of specified land in government ownership to provide housing units for easing the supply of affordable housing units under an exceptional planning régime, according to which houses can only be purchased by a person with Isle of Man Worker status or by public authorities and cannot be rented out for more than the ceiling placed on rents of houses in public authority ownership and for connected purposes.

The Speaker: I now call on the hon. member for Onchan, Mr Karran.

Mr Karran: Vainstyr Loayreyder, I think everybody in this hon. House will be united on one thing, if not on many, and that is: the need for more houses for first-time buyers and affordable houses to ease the present housing crisis. My Bill is simple: it will give the power for planning permission for the building of houses on five pieces of land in government ownership, with certain restrictions on the planning and the ownership. I hope leave will be given to introduce this simple and speedy way of taking action over this tragedy that is affecting so many of our young people and affecting more older people, increasingly, when they split up, finding themselves trapped in Rachman accommodation. I believe that, at the present time, with the present housing crisis, we cannot afford not to be working as a team on both sides of government and this parliament, helping one another. This motion is leave to introduce a Bill which will allow for a private member's Bill that will deal with five areas of land in government ownership that can be developed for affordable housing, granting it planning permission with certain planning restrictions: that it can only be sold to Isle of Man workers, and if the condition is not complied with, the DLGE will be empowered to purchase the property compulsorily, either to sell it to an Isle of Man worker or to add it to the public housing stock; and that it cannot be rented out for more than the approved local authority rent. If this condition is not applied, then the DLGE will be empowered to fine the owner or to sell the property to another Isle of Man worker, in order that that house can be put into the housing stock for a property-owning democracy.

I would hope to see my Bill printed for the first sitting after Easter. This Bill will put rungs on the ladder for a caring and prosperous society and the motive I have always fought for, and that is: a property-owning democracy. It will help one of the basic commodities of life, which is

accommodation, which should not be a luxury; it is a necessity and, as legislators, we should be resolving the problems that our society is facing at the present time, with the blatant exploitation that is happening in certain sections of the community. When we find large estates that have something in the region of 30 or 40 per cent of their houses in the rental market, which would have normally 10 or 15 years ago been in the owner-occupier market, I believe that we have to look at other ways of trying to make houses that are homes, are nests and not nest eggs. Hon. members, I hope this House will give me the opportunity to bring back a private member's Bill, because I believe that we have to work as a team on both sides. I hope the executive will support the leave to introduce as far as this private member's Bill is concerned, and I hope that hon. members will support my leave to introduce. I will have a presentation before the Bill comes back for second reading. I beg to move and I hope someone in this hon. House will second my proposal.

The Speaker: Hon. member for Ayre, Mr Quine.

Mr Quine: Yes, I beg to second, sir. I think it is a matter of record that I do not support the nuts and bolts of the proposition that has been outlined to us, but I do believe the problem is one that needs as much debate as possible. Secondly, from my own point of view more importantly, the member should be given the opportunity to make his case, so I am prepared to second.

The Speaker: Hon. member for Douglas West, Mr Downie.

Mr Downie: Thank you, Mr Speaker. I would, ordinarily, have no problem with any member who wanted to bring a Bill before this House or to seek leave to introduce a Bill, but I sincerely hope that this is not a regurgitation of the previous member's attempt to bring a private member's Bill before this House. In my view, the principles on which the hon. member is trying to move forward are sound, but, unfortunately, the way he went about it last time - and I have no reason to believe that he is tackling this from a different angle - and what he is proposing, by the implication of this so-called planning process, is, in fact, contrary to interested parties' human rights and, therefore, it is going to be a non-starter before it even gets on the floor of this hon. House.

Now, he made reference to five acres of land which are in government ownership - five areas of land, I should say -

Mr Karran: *Five pieces.*

Mr Downie: - which are in government ownership. Does the hon. member not think that the department is not very busy now trying to progress housing on some of these areas, and would this situation not prejudice all the good work that the department is putting in to resolve some of these problems related to housing?

Another point I would like to make: my understanding is that none of the government-sponsored or the government-organised first-time buyers' housing has, in fact, been purchased by people who wish to make money out of the situation; they have not come in and bought several houses. The only area where I am aware that something like that has happened is, in fact, where a wealthy individual has put money up himself to fund the project: there have been a number of first-time buyers' houses produced and the person who has made the investment has taken some of those back for letting out to the private sector, because he sees it as much more beneficial and more gainful to do that, to utilise the capital that he has put out, and then there has been an element of first-time buyers' houses which have been sold on to other local people. Now, however distasteful the hon. member finds that, that is commercial reality, and I think we are running the danger of turning our back on all forms of development if we send the wrong signal out.

As far as the issue relating to this business about the rent is concerned: now, any first-time buyer's house today, with round about two or two and a half bedrooms, is going to cost somewhere in the region of £80,000 to £100,000. That is a fact of life. That is the going rate; maybe even more than that. Now, the cost - let us call it £100,000, as the figure is easier to equate - of borrowing that money over a 25-year period equates to £639.24 a month, and on top of that there are rates, repairs and insurance, and if the property is in Douglas, the rates are £500 a year: that is £10 a week. Now, does the hon. member honestly mean to tell me that, if a young couple have entered into a mortgage agreement for one of these houses and the economy takes a little dip here and his employer, who may be a bank, says 'We require you to go and work in Southport for a couple of years', he is not allowed to rent that property out for anything more than £30 to £35 a week, which is the equivalent rent in the local authority sector?

We are in the 'Loony Tunes' business at the moment; this is the politics of the madhouse, hon. members. I think the hon. member may have one or two points, but it is utter madness to even be proposing a venture such as this. I have no problems looking at areas where people pay a penalty if they have more than a given number of properties and there is evidence that there is some speculative investment; that is the way to look at it. But you would actually finish up, I think, if you went down this particular road, in penalising some of the people who you are actually trying to help. Now, when you decide on who is going to have a house in these areas, will the applicants have to be married or, say, in a stable relationship? You have only got to see what is happening socially in the Isle of Man: people are swapping and changing partners and relationships are breaking down, and when a relationship does break down or people part company, the first thing that goes is the house, and it is split down the middle and gone. If we are in a situation where the house has to come back to government, we might as well not bother. We might as well do what I think the department is trying to do: get cost-effective, affordable housing into the marketplace, supported by government. I would agree that there is a shortfall in local authority houses, and perhaps we have got to start to look at that aspect as well, but we will always have a massive waiting-list when you can get a two-bedroomed house for between £30 and £35 a week. I am not happy, as a member of this House, with the present rent structures, and I think the whole issue of housing needs to be debated at length and we need to formulate a really proper, effective housing policy. We have been caught - there is no doubt about it - but I do not think, having heard and listened to the member again and understood fully what was in his last private member's Bill, that what he proposes today is going to resolve the problems that we have got in housing on the Isle of Man at the moment.

The Speaker: Hon. member for Douglas East, Mrs Cannell.

Mrs Cannell: Thank you, Mr Speaker. Well, I think that, first of all, I have to say how startled I am by some of the comments made by the previous speaker, particularly when he said that, in Douglas, you can pay £500 per annum for rates. The hon. member must be privy to information that has not reached me yet, but we certainly do not pay, on average, £500 a year for rates in Douglas, and I think there is an element of scaremongering here. Yes, Douglas ratepayers pay more than anybody else within the Island, and they pay too much in my view, but they do not pay £500 a year; we have not reached that target yet, unless the Douglas Corporation have set it much higher than they have recently declared.

I rise in support to give the hon. member the chance to come forward with a green Bill for hon. members to consider. Yes, he has attempted this in the past, and yes, he was put down very firmly by certain members of this hon. House (*Mr Karran interjecting*) who did not agree with the issue that he was raising, although they did agree at the time, 'Yes, there is a problem, but it is not as bad as you predict, Mr Karran'. I have to say that the hon. member for Onchan has been right all along in regard to this issue. He raised this issue a few years back

and said, 'It is a problem, it is getting worse and it will be a major issue during the election campaign' and, I have to say, he was right, in my view. He was proven right.

I daresay that the hon. member has picked up a thing or two over the years and I have every confidence in him that he is not going to regurgitate the same old green Bill that came before this branch during the last government, but that it will be a new fresh approach, because hopefully he will have picked up the views, opinions and constructive criticism that some hon. members made in terms of his last attempt. So, I am quite willing to give him a chance. It is an important issue, but, moreover, I think that what he is trying to establish here is perhaps something not dissimilar to what Ireland was trying to establish some time ago when it saw that, due to its prosperity, its own people were beginning to suffer and were being pushed lower and lower down to the bottom of the ladder in terms of having a roof over their heads which they could afford. They began to examine, quite in depth, the issue of social housing for their own people, and that is all, in my view, the hon. member is trying to achieve here: it is a social principle. In his motion, he covers not only the opportunity for first-time buyers, but also the opportunity for the local authorities to acquire the houses and rent them out at a rent that would be pitched similar to what a local authority is charging for its rent, now and in the future.

So, there are two prongs to this particular motion which did not feature the last time around. The last time around was something entirely different and I would hope, Mr Speaker, that hon. members who are in this House, who were here during the previous government, will not turn against the hon. member for what he is trying to do, but will give him the opportunity, as every member has the opportunity, hopefully, sometime during the life of the House, to come forward and to seek leave to introduce a private member's Bill. It is an honour to be able to do that, and I think that we - all of us, the Council of Ministers included - should give him the right to be able to do that before we start casting aspersions on what he may have attempted to try to do in the past. This is a new House; this is a new government which has been established. The hon. member is making a new move to try to address an old problem which is getting worse, and I daresay the department is doing its part and trying to achieve and provide more, but I think this motion goes a little bit further, and I do not think that it will prejudice or make it more difficult for the department in what it is trying to do and what its aim is; I think, if anything, they could dovetail quite nicely.

This is perhaps addressing an aspect of housing that the department is not looking at, but might have chosen to look at at some time, in terms of establishing housing associations. The previous speaker, the hon. Mr Downie, for West Douglas, talked about who will manage it and about the nitty-gritty bits: if the couple breaks up, do they have to be married or do they have to be in a common-law situation? That is not for this House to consider in terms of legislation; that is for whoever is set up to manage such housing, and I would see (*Mr Downie interjecting*) it coming under the remit of a good housing association. That is an opportunity and there will be others. There will be other suggestions, but, nevertheless, let us give him our backing to go away, put this legislation together, show us what it is that he intends to do and explain the wording within his green Bill, and then we can come back and argue the fors and the againsts, but, please, give him support.

The Speaker: Hon. member for Rushen, Mrs Crowe.

Mrs Crowe: Thank you, Mr Speaker. I am brought to my feet by the mention that this Bill might dovetail quite nicely with my department's proposals to bring forward affordable housing for the Isle of Man; my fear is that it will not. I would not ordinarily ever oppose the right of any hon. member of this House to introduce a Bill for consideration, but, on this occasion -

Mr Karran: You're the minister now.

Mrs Crowe: Rubbish! On this occasion, I feel that this proposal will not be helpful; indeed, it could *delay* any plans for affordable housing that the hon. member knows full well that I am bringing forward. As hon. members will be aware, Tynwald recently supported a proposal from the department to bring forward accelerated special development orders to release land for development; I have had discussions with all but two of the Island's developers regarding bringing forward affordable housing to the department's own specification; we are also in discussion with Treasury over a proposal to enhance the possibility of house purchase for many more couples on the Isle of Man. All of these initiatives will provide more, and better quality, affordable housing and, unfortunately, a Bill at this time, of this nature, will detract from this focus and could well prove to be counterproductive, and the hon. member knows full well what the department's plans are. We are also progressing, speedily, more provision of public sector housing at this time within the department, another fact well known to the hon. member.

I would ask members of the House, *on this occasion*, to vote against this leave to introduce, to enable the department to proceed as quickly as possible to achieve our aims, but I would say this - and I say this to the hon. member: if, say, by October 2002, the member for Onchan is not satisfied with my progress, then I would be the first person to support his leave to introduce at that time. But I would stress that, at this particular time, a Bill of this nature will just deflect our attention and detract from ongoing discussions and deliberations that are taking place. My department has already committed itself to a complete review of the planning system and it is my hope that we shall bring forward proposals in the next few months. The hon. member for Onchan stated that he wished to work as a member of the team, and, on this occasion, I would ask him to do just that: be a member of the team, hoping to bring forward affordable housing very quickly, and not distract the department at this time with a Bill that I feel could just muddy the waters on what we have achieved. I would ask you all, on this occasion, not to grant leave to introduce until such time as I can fully reveal the department's plans to you.

The Speaker: Hon. member for Onchan, Mr Corkill.

Mr Corkill: Thank you, Mr Speaker. Obviously, we come to the House today with this motion on the agenda in order to establish whether the hon. member, my colleague from Onchan, Mr Karran, should have leave to introduce. As has been said by previous speakers, normally it is almost an automatic process that members are given that privilege of the leave to introduce their legislation to this House for consideration, and I was interested that the hon. seconder of the motion, the member for Ayre, Mr Quine, said that he did not agree with the principles of what is in the motion before us - and that is on the record - but that he thought that the debate would be worth having and that is why he seconded the motion. Now, the problem I have, and I think the problem that other speakers have had, with this motion is that it does not just ask for leave to introduce a housing Bill; the motion, as written, clearly talks about policy issues. That is why we are in a debate this morning about policy issues to do with housing, and we have touched on all sorts - including the level of rates in Douglas - so far, because housing is a very broad issue, as we all know. The hon. member has made a lot of noise over the last few years - quite rightly - about the housing shortages on the Island and he has struggled to be heard and to get action, and I understand his frustration with regard to that housing situation. It was, as we all predicted, the number one election issue back in November. This new administration has a focus on housing: that has been made quite clear and the hon. member, the Minister for the Department of Local Government, Mrs Crowe, has made it quite clear that there is a lot going on. I do not intend to go back into the history of why we have not got the number of houses that we require, because we could be here for a week debating that. I have very strong views, as a number of members do, as to the history of the situation, and so, to some extent, all members are agreed.

The hon. member for Douglas East, Mrs Cannell, said, 'Housing is a priority.' Well, it is. She also made reference to the Irish situation: a housing market which has now collapsed because of over-intervention by government (**Mrs Crowe:** Absolutely.) and is due to devalue another 12 per cent in the coming twelve months. So, you have to be careful.

There was another comment the hon. member for Douglas East, Mrs Cannell, made: she talked about social housing. I do not like that description of housing. (**Two Members:** Hear, hear.) I find it demeaning to the people who live in what is described as 'social housing'. We should refer to housing as just that: housing for all of our community.

Reference has been made that a lot more is being done. The trouble I have is I would normally have said, 'Yes, leave to introduce: any member, unless it is for exceptional reasons, should be given leave to introduce', but there are issues in this motion that I do not agree with. I do not understand why the hon. member - and we have had this debate on the church hall platform in Onchan at requisition time, so it is a bit of *déjà vu* here for me, because we had the housing debate during the election time - wants to create a two-tier housing system -

Mr Karran: Because you already have got one.

Mr Corkill: - because he will say, 'Well, we have already got one'.

Mr Karran: Yes, those who can afford and those who cannot.

Mrs Crowe: They are provided for.

Mr Karran: That is rubbish!

Mr Corkill: I would have been prepared to wait for the second reading of such a Bill to debate the principle, but the principle is in this motion: why does the hon. member want to create a development - up to five developments - of what will, effectively, be privately-owned council houses on a Manx reservation, with all the social and nationalistic divisions that follow from that? And that is where I am coming from on this motion, Mr Speaker: I do not agree with creating that. There are other issues to do with this legislation, to do with human rights, and that has not been properly answered in this motion. There is one way to perhaps resolve these issues, which is to vote for leave to introduce and hear the issues at the second reading, but, from what I understand from hon. members' comments, I would be interested to hear from the mover of the motion whether this Bill is the same one as we saw last time, because, if it is the same Bill, I know the issues and I will vote against.

The Speaker: Hon. member for Peel, Mrs Hannan.

Mrs Hannan: Thank you, Vainstyr Loayreyder. I rise, really, because of the comments made by the Minister for Local Government and the Environment, because she suggested that this particular proposal should not proceed now, but that it could be brought along in October/November, if the Department of Local Government did not succeed in what they are doing. (**Mrs Crowe:** Absolutely.) Now, it is not being described to us as to what the department is proposing to do -

Mrs Crowe: I cannot do that yet.

Mrs Hannan: - because I think all the way through it was mentioned that the mover knows what the department is doing, but I certainly do not know what the department is proposing. I have written to the department on a number of housing issues: with regard to the cost of first-time buyer housing, the size of first-time buyer housing, the different sizes of families, what people can afford, the difficulties in getting on local authority housing lists and not being able to afford housing. There are all these issues, and I spoke at the policy debate about this area where people are not being assisted at all: local authorities are saying 'You are earning too much', but people are not earning enough to get a private mortgage and

cannot get a grant from government because they are just slightly over. So, there is this area where the poor (**Mr Karran:** Hear, hear.), you might say, because they have too much money and not enough, cannot get housing of any sort, and we are talking here about bringing forward a Bill. Now, the member for Onchan might not have the answers to all of it, and a green Bill might not have the answer to all of it, but let us face it: we have been elected to parliament - to this House - to do something, and I think that, even if we spend the next three or four weeks talking about housing and talking about the policies that the member for Onchan is suggesting, then we are not wasting our time. We are not doing anything else. (**Mr Karran:** Hear, hear.) We can discuss the issues; we could even go into committee in this House; we could even take evidence in this House, as far as I can see, as to how we could debate it. We can do what we like within suspension of standing orders and all the rest of it, but the minister is suggesting that this muddies the waters of what we have achieved, but what *has* the Department of Local Government achieved? It has not been spelt out to me, when I have inquired of the department, what people do - even what local authority tenants do - whether you call it social housing or whatever. Local authority housing *is* substandard. People living in these houses are treated as lepers, you might say, by the local authorities -

Mrs Crowe: Not by my department, they are not.

Mrs Hannan: - that look after these houses, including government, because of the standard (**Mr Karran:** Hear, hear.) of these properties. Now, we should also be building more. What I said during the policy debate was that we should be investing in people -

Mrs Crowe: We are doing.

Mrs Hannan: - and, all right, we have a budget that is coming through and it will be with us in fortnight's time -

Mrs Crowe: They all know.

Mrs Hannan: - but that does not solve the problem that I am spelling out that we have already, at this particular time. I accept that the department and this government cannot solve it overnight, but I think, during this debate, that what was happening could have been spelt out to the House, other than saying that the mover of this motion knows what is being proposed.

The minister also said that she was talking to local developers and has spoken to all except two, but the problem I have with local developers is that they do not care about people; they are there to make money. They are there just to make as much money as possible. It is not even good quality affordable housing, and I hope that the department will address the issue. I do not know whether the mover of this motion is going to speak on that or try to get a change with regard to this first-time buyer housing, which we tend to get hung up on. I think the Minister for Trade and Industry spoke about two and a half bedrooms or whatever; I think the half is more near to the point than two, because it depends on what you are talking about and the sizes of these properties and of these rooms. So, I hope that there is some movement towards better quality affordable housing and also more local authority housing, because it is desperately needed by people on lists, as I spoke about before, unable to get onto a housing list and unable to get onto the grant scheme operated by government. Of course, we all know that it has to be acceptable within the private sector first before they get a grant and, if they are not earning enough, they are not going to get the go-ahead for the grant from government or the private area. £85,000 was the mark; these developers have now put up first-time buyer properties to £95,000, so all the people in my area that were going to try to get into the housing market by buying these very small first-time buyer houses are not able to purchase these properties.

The Chief Minister spoke about what is happening in Ireland and the devaluation of the property market. Surely, if the changes have been brought about by the government of that

particular area to devalue the housing market, then I would have thought that to try to solve some of these problems is a good thing, if that is what they were looking to do. It is all very well, but the only people that are okay are people who own properties. Now, if they are selling to move onto another property, it does not matter whether the property market has been devalued or not; the only people at the end that are going to lose are those that have invested, as the mover is talking about, or the people that are vacating their property and no longer need a property. So, I would have thought that, if there is a devaluation of the housing market, maybe that is what the government in that country were actually looking for.

I also take exception with regard to the comments made by the Chief Minister when he spoke about Manx reservations and the nationalistic attitudes within these reservations that he is talking about.

Mr Karran: What about the council houses now then?

Mrs Hannan: We have already got people who are living in substandard properties which are looked after by local authorities, that we just talked about during Question Time, and also this government. They have to get on with that, that is if they can get onto this. I said in my election meeting that nobody, but nobody, would apply to government or a local authority for housing if they could possibly walk down the road, buy a house and get a private mortgage. They are in that house in six weeks; they do not have to wait for the attitudes, I should say, of local authorities with regard to some of these people who they find unacceptable and whom they are not housing. Therefore, who would want to go onto a waiting list for four and a half years and then stand no chance of housing, or be allocated a house after four and a half years and go into something which is substandard? There is a human rights aspect to housing, and I think it is that human rights aspect of housing that we should be dealing with within the democratic process of consulting with people and of trying to move forward. I do not necessarily accept the situation that the mover is proposing within all of this, but it is up to us, as the parliament, to look at legislation as it comes forward. Because of the difficulties within housing, I will be supporting his right to introduce the Bill to look at housing under this particular piece of legislation, should he be given the right to introduce. Thank you, Vainstyr Loayreyder.

The Speaker: Hon. member for Ramsey, Mr Singer.

Mr Singer: I intend to be brief. I would say honestly to the mover, Mr Karran, that, reading the points of the Bill as they are laid down here, I cannot really offer my support, but I will be supporting his *right* to introduce his Bill. It may well be the case that, when his Bill is actually before me and I read it, it may be something that I will support, but what has got me to my feet is the crocodile tears that have been shed in this hon. Court today by the Chief Minister and the Minister for Local Government (**Several Members:** Hear, hear.) (*Interjections*), saying, 'It is only exceptional that we do not support hon. members' Bills, but in this case. . .' I had two bills refused leave to introduce in the last session. Why? Because the Council of Ministers did not support it; it was not part of their policy. I was actually refused; not, 'We will have a look at it and then decide'. So, to say that this is an exceptional case is not true. I think the hon. member who is moving this leave to introduce has also had, at this stage, Bills turned down. So, I think we should be honest here and say, quite clearly, that people *do* vote against it; Members of the Council of Ministers vote against them if they do not believe it complies with their policy, so let us have that straight. I will be supporting the member's right to introduce his Bill. As I say, I do not particularly think I am going to support it, looking at it, but I will certainly have a look at it and make a decision when he brings it forward and does a full explanation.

Two Members: Hear, hear.

A Member: What a waste of time!

The Speaker: Just before we carry on, hon. members, can I just clarify that the only right a member has is to put a motion on the order paper; he does not have a right to introduce a Bill unless this House gives him that right. Hon. member for Garff, Mr Rodan.

Mr Rodan: Yes, thank you, Mr Speaker. I think the problem is that, at this stage, we are in the middle of the makings of a full-blown policy debate on housing. Now, stepping back to what this House has been asked to do this morning by the hon. member for Onchan: he is asking this House to agree that he bring forward new *law* on housing; not new *policy* measures in housing for the department to implement, but new *law*. This is, of course, what this House is about: changing the law. It would seem eminently reasonable for the hon. member to invite us to change the law, but we should ask, 'Has he really made a case that it is the law that is deficient? Is there a deficiency in law such as there is a need now to legally establish a new planning régime, as if that is a magic wand that can be waved to solve our housing problems?'

Now, I do not believe that there is a particular deficiency in the law as regards planning; we already have exceptional planning measures in statute. We have the ability for the department to come forward with planning scheme orders to confer planning permission on particular developments, as we have heard from the minister; there is also, with Tynwald backing as recently as last month, the ability for the department to come forward with development orders to release land for development. There is no deficiency in the law requiring a new planning scheme; what is required is a willingness to get on and work up policy with developers that will actually bring houses out of the ground. (**Mrs Crowe:** Absolutely.) (**A Member:** Hear, hear.) There is nothing wrong with the existing law. There is no need for new law in the matter; what is needed is a willingness by the department to refine its policy to investigate best practice, not to think that it is up to us to reinvent the wheel in housing matters. There are examples of best practice in housing associations, shared equity schemes and all manner of schemes that have been tried and tested, and I am aware that the department is looking at such matters to bring forward as matters of policy, employing existing law, which is perfectly adequate to deliver, if it is used and if there is worked-up policy actually to implement.

Now, it fills me with a great misgiving if, in fact, the hon. member were, in his new planning régime, to suggest that, on the floor of Tynwald, we would be hearing planning objections to particular schemes. This was the flaw last time (**Mrs Crowe:** Absolutely.) that, in fact, on the floor of Tynwald, objectors would be coming forward to exercise their third party rights - their normal rights - of objection to a development. I do not believe that that is the forum to do it, but planning scheme orders and development orders of land, which currently are provided for in law, are the equitable way to do it. The fact that it has not yet happened does not mean that the law is not there to allow it to happen; it is for the department to get on with it and to implement these measures and use existing legislation.

The Speaker: Hon. member for Douglas South, Mr Cretney.

Mr Cretney: Yes, I think it would be wrong if I was to just sit here, Mr Speaker, and not say anything, given that a number of us - and I accept the hon. member for Onchan is very well motivated in terms of the subject matter which is before us this morning - also share his deep concerns in relation to this subject and a number of us have shared those concerns (**Mrs Crowe:** Absolutely.) going back a considerable period of time. It was more or less straight after, not the last election which we had in November last, but the election before that, that members started to raise concerns about the lack of action and the fact that we were going to be faced with problems in the question of affordable housing for our people and the social division that results from that. Some of us are old enough to remember the late 1980s, when

we had a similar kind of situation, which is most unsatisfactory in any community, and we have got to do what we can to try to fight that, because it is not good for the Isle of Man.

Now, what I would like to say today, Mr Speaker, is that it seems to me a little unfair that, given the concerns which were expressed during the last parliament time and time and time again by some of us - to the extent that some of us, although ministers, voted against the then Department of Local Government because of their inactivity, because of their paper-chase - we now have this situation here, where present-day ministers are being accused of crocodile tears. The hon. member for Rushen has been in post since December and she is getting criticised by other people in here, but one of the first things that happened when the new administration was put in place was that the housing task force was established; one of the *first* things that happened. I would have hoped that members would welcome that. I accept that, as yet, there has not been a full debate in Tynwald on the housing subject, and I would think that the sooner we can do that the better, so that members can see the direction that the minister is going in in relation to this, because it is, and continues to be, a very unsatisfactory situation, and the sooner that we all can work as a team rather than the division that is coming in here, which replicates the division outside, the better.

The Speaker: Hon. member for Onchan, Mr Karran, to respond.

Mr Karran: Vainstyr Loayreyder, I think we have got the full-blown policy debate on housing because of the Council of Ministers' opposition to my Bill. I actually thought I was helping the situation in that we have no legislation in front of us at the present time; I saw that as an opportunity to bring down legislation that needs to come in. As my good friend, the member for South Douglas, said, I think we all are committed as far as the housing situation is concerned. The only problem is that, as a person who has not been in the executive, I am not in the driving seat, but I would agree with him that this Bill is not a criticism of the new minister. It is a shame that they have got to take these things in that sort of light.

I thank my seconder, the member for Ayre, for seconding the principle, at the end of the day, to give the opportunity for the issue to be debated.

I was very disappointed with the hon. member for West Douglas, but, then, I am used to the distortion of the facts being a problem with the hon. member. (*Interjections and laughter*) The issue that none of our first-time buyers' houses are in the rental market: well, I had one, only a matter of several days ago, who is paying £600 a month for a first-time buyer's house which is in my good friend's constituency of South Douglas, and that is one of a number that I know of in that particular area. So, this idea that, somehow, first-time buyers' houses end up forever not in the rental market is rubbish, and what I am saying is that, when the census comes out about the amount of rented accommodation that 10 years ago would have been owner-occupation, I think this House will be alarmed, and that is why I made so much vigorous representation to try to get the census, as far as the rental issue is concerned, to be addressed.

I was also a bit disappointed about this idea of a £30-a-week, or £40-a-week, council rent. Well, I am afraid I do not know where he is getting his council rents from, because my parents pay over £50-odd a week (**Mrs Crowe:** Including rates.) for their council house, which was bought for less than £1,600 when it was built in the first place.

Mrs Crowe: You should be providing for them.

Mr Karran: Vainstyr Loayreyder, this is the sort of nonsense that we hear. I mean, we heard this the last time: I think my good friend remembers a certain member telling the House that their parents should buy them a house. I really do wonder where some of these members. . . and if that sort of comment can come from the Minister for Local Government, it does concern me whether she really is living on the right island, never mind the right planet,

(*Laughter*) as far as the situation is concerned. The issue is that we have seen the usual attack - somehow the council house tenants are the bogey-man (*Interjections*) for the housing crisis - from the member for West Douglas. This is the sort of nonsense - the reason we have the problem is because of people who have been in charge of the executive have been in bed with the developers, who are dripfeeding the market, (*Interjections*) and that is the truth of the matter.

Mrs Crowe: It is not!

Mr Karran: I believe it is terrible that here we have just a simple Bill that I want leave to introduce and we have an empty order paper with no Bills in front of us, and yet we have the dead hand of the executive. Do not let the facts come in the way of a good argument, because I feel, today, in this debate, that there are too many in this House just doing the 'dog in the manger' routine and I think that is wrong in this hon. House. I could quite easily just throw stones; what I have done in this House is try to put something down to give people the opportunity to throw stones back at me. What I find is that we have this situation where it is just a matter of, 'We have not solved it, so you are not going to solve the problem.'

I thank Mrs Cannell for her support and her comments, because she is right: we have been disastrous, over the last five years, in getting affordable housing for normal people that live in this Island. Then I hear that the Department of Local Government is talking about a ceiling of joint incomes of £22,000 when you are debarred from getting a local authority house: where are they living? Are they living in fairyland? Quite frankly, the situation is that four times your salary is the maximum you can get: *you* go out and go down to the estate agents and find a house for £88,000.

I am sorry that my good friend from Rushen, the minister, thinks that you should be buying your kids houses or buying your parents houses, but most people live in the real world. I thank her for her support and I thank her for her recognition, as it is sometimes very difficult to keep on slogging away, trying to come up with a situation when you have the situation where people will blatantly misrepresent what are the facts. As far as the member for Rushen, Mrs Crowe, is concerned, I would be mortified that my Bill would stop your initiatives from going ahead. I would have been much happier if the minister had stood up and said, 'A, B, C, D, E, F, G: these are the reasons why you cannot have it'; all we have is this 'dog in the manger' attitude, and I do think it is really, really sad to see that situation.

I believe that the problem we have on housing is the issue of it being drip-fed, and that is the truth. It is supply and demand, and I believe that, if nothing else happens, by giving leave to introduce this Bill, it will maybe put a bit of fear into the investment market, which is crucifying the working people of this Island at the present time. It is *immoral* for anybody in this House to be talking about your having £22,000 a year income and you force your wife out to work to pay for the rent: and that is what you are doing in the real world, Mrs Crowe, because you will not get anything decent for under £600 a month, and most ordinary working people who clean are on a £150-£200 a month, and so the wife's wages are sent out to make someone rich fast, because the policy has been - up to now, and we have not heard the policy from her department - one of sheer, unadulterated exploitation of the ordinary working people.

Now, my good friend next to me was on about my private member's Bill and the point is that we did get into a policy debate and he says that we do not want the situation where the market would collapse because of my private member's Bill. What we do not want - and what I would suggest has happened in Dublin - is that the speculators have squeezed every drop out of the situation and they have produced every drop of negative equity that they can create for ordinary working people who buy a home for a nest, not a nest egg; the bright boys have flown and what they have left is just the manure in the nest for the rest of society, who want . . . and that is what is going to happen if we allow the control of the housing situation to be in the

hands of the developers. I have to say that, again, I am amazed at my colleague when he says that he does not want to create a two-tier system or Manx ghettos. The situation is, if that is the case, he would say that about every local authority estate. These are the sort of criteria I am looking for as far as these houses are concerned; in fact, these houses would be more flexible. So what is the great problem? What we want, and what I believe that we need, is the rungs on the ladder: you are down there, the rungs are down there, and until here there are no rungs. What I am trying to do is not just develop more houses that will end up like Governor's Hill, where we have 30 to 40 per cent of the houses in the private rental market, where we have two individuals - or two companies - that own nearly 10 per cent of the housing estate there; that is not what I want. I do not want to give free land away to find out that in five or six years' time, like I got last week with the lady from up at Anagh Coar - the houses were built by Norwest - that she is paying £600 a month rent and she just cannot cope any more. That is what is happening. What I am trying to do is develop some housing - and I actually believe we will have to go down this line in the future, if we do want a property-owning democracy - to put the rungs on the ladder, so that they can move on.

I thank Mrs Hannan for her support. I will spell out my debate when it comes to the second reading stage and I will make sure that there will be a presentation, but I do believe that I would not be moving this Bill today if I thought that I did not need to move this Bill today. If I thought it was going to be a lanket on the opportunities of the executive to get on with the job, then I would not move this Bill, but the fact is that we have got to look at the track record of the previous House, and it was miserable. I think the issue is - as far as the principle of what I am trying to do in this Bill is concerned - that even the likes of the council in the New Forest, when I was reading the paper the other week, are looking at situations like I am talking about, because of the fact that they are getting a lost generation.

Hon. members, I do hope that this House will support my proposal. I beg to move, Vainstyr Loayreyder.

The Speaker: Right, hon. members, can I just clarify, so that there is no misunderstanding by the House: in terms of the motion that is before us, all the words from and including 'establish' down to and including 'purposes' are the long title of the Bill, and that is a requirement of standing orders. I would also make the point that the hon. member who has moved this motion has complied with standing orders in terms of the objectives of the Bill.

Right, hon. members, the motion before us is, in the name of Mr Karran, for leave to introduce. All those in favour, say aye; against, no. The ayes have it.

A division was called for and voting resulted as follows:

For: Messrs Anderson, Quine, Houghton, Henderson, Duggan, Mrs Cannell, Mrs Hannan, Messrs Singer, Karran and the Speaker - 10

Against: Messrs Rodan, Quayle, Rimington, Gill, Mrs Crowe, Messrs Cretney, Braidwood, Downie, Shimmin, Bell, Corkill, Earnshaw and Gelling - 13

The Speaker: Hon. members, the motion fails, with 10 votes for and 13 votes against.

Hon. members, that completes the business of the House. The House will now stand adjourned until Tuesday, 12th March at 10 a.m. in our own chamber.

The House adjourned at 11.29 a.m.