

New Zealand to ban foreign home buyers

2nd November, 2017



New Zealand's government has announced a ban on the purchase of homes by foreigners. Soon-to-be Prime Minister Jacinda Ardern announced on Tuesday that the ban would begin in early 2018. The measure is to address the current housing crisis in New Zealand.

For the past few decades, overseas buyers have been snapping up houses as investments or for holiday homes in New Zealand. This has created an increased demand for properties, which has seen house prices soar. Prices have risen by more than 50 per cent in the last decade. New Zealanders are up in arms at the inflated prices they now have to pay to buy a home. Many citizens have simply been priced out of the market and cannot afford to get on the housing ladder.

Ms Ardern expressed her determination to end the practice of overseas investment increasing property prices. She said: "We are determined to make it easier for Kiwis to buy their first home, so we are stopping foreign speculators buying houses and driving up prices. Kiwis should not be outbid like this." However, the new measure will not apply to Australians. Furthermore, overseas investors will still be able to buy land. Ardern said the changes would not stop non-residents or non-citizens from buying residential land to build a house on. She stated: "Our position has always been that if you're adding to supply...then you will be able to build." Ardern said she hopes the ban will "take some of the heat" out of the property market.

Sources: reuters.com / radio.co.nz / bloomberg.com

Writing

Only citizens should be able to buy houses in their own country. Discuss.

Chat

Talk about these words from the article.

New Zealand / homes / foreigners / housing crisis / house prices / housing ladder / determination / investment / speculators / measure / overseas / position / property

True / False

- The ban on foreign home buyers will begin in 2019. T / F
- There is a housing crisis in New Zealand. T / F
- Overseas investors have been buying up homes in NZ for centuries. T / F
- The article said New Zealanders want to buy a ladder for their house. T / F
- New Zealand's leader wants to make it easier for kiwis to make nests. T / F
- Australians can still buy houses in New Zealand. T / F
- Non-citizens can still buy residential land in New Zealand. T / F
- NZ's leader wants to cool the property market down. T / F

Synonym Match

(The words in **bold** are from the news article.)

- | | |
|-------------------------|----------------|
| 1. announced | a. resolution |
| 2. measure | b. high |
| 3. soar | c. stance |
| 4. inflated | d. pay for |
| 5. afford | e. purchase |
| 6. determination | f. construct |
| 7. apply | g. increase |
| 8. buy | h. made public |
| 9. build | i. action |
| 10. position | j. be relevant |

Discussion – Student A

- What do you think about what you read?
- Why is overseas investment in houses bad?
- How good is property to invest in?
- Where would you like to buy a house?
- What kind of house would you like to buy?
- What kind of place do you currently live in?
- Will the ban "take the heat" out of the housing situation?
- What questions would you like to ask the soon-to-be prime minister?

Phrase Match

- | | |
|--|-----------------------------|
| 1. address the current housing | a. arms |
| 2. overseas buyers have been snapping | b. of the property market |
| 3. which has seen house prices | c. to end the practice |
| 4. New Zealanders are up in | d. the housing ladder |
| 5. cannot afford to get on | e. apply to Australians |
| 6. Ms Ardern expressed her determination | f. crisis |
| 7. make it easier for Kiwis | g. land |
| 8. the new measure will not | h. soar |
| 9. residential | i. to buy their first home |
| 10. take some of the heat" out | j. up houses as investments |

Discussion – Student B

- Should foreigners be allowed to buy homes in your country?
- What is the best thing about home ownership?
- What is the housing market like in your country?
- What is a housing crisis?
- Is it better to buy or rent a house?
- How can a country make sure there are enough houses for people?
- How important is it to get on the housing ladder?
- How difficult is it to get on the housing ladder?

Spelling

- noauncedn a ban
- the pruhesca of homes
- arssded the current housing crisis
- For the past few ceesdd
- an increased demand for oereripstp
- up in arms at the afnitedl prices
- end the practice of reesosavs investment
- stopping foreign eputsrcosal
- the new amsuere
- non-cizestni
- buying dienlrstiae land
- adding to ppuyls

Answers – Synonym Match

1. h	2. i	3. g	4. b	5. d
6. a	7. j	8. e	9. f	10. c

Role Play

Role A – Houses

You think houses are the best things to invest in. Tell the others three reasons why. Tell them what is wrong with their things. Also, tell the others which is the worst of these investments (and why): Internet start-ups, stocks and shares or education.

Role B – Internet Start-ups

You think Internet start-ups are the best things to invest in. Tell the others three reasons why. Tell them what is wrong with their things. Also, tell the others which is the worst of these investments (and why): houses, stocks and shares or education.

Role C – Stocks and Shares

You think stocks and shares are the best things to invest in. Tell the others three reasons why. Tell them what is wrong with their things. Also, tell the others which is the worst of these investments (and why): Internet start-ups, houses or education.

Role D – Education

You think education are the best things to invest in. Tell the others three reasons why. Tell them what is wrong with their things. Also, tell the others which is the worst of these investments (and why): Internet start-ups, stocks and shares or houses.

Speaking – Investments

Rank these with your partner. Put the best investments at the top. Change partners often and share your rankings.

- | | |
|----------|----------------------|
| • art | • education |
| • gold | • stocks and shares |
| • stamps | • foreign currency |
| • houses | • Internet start-ups |

Answers – True False

a	F	b	T	c	F	d	F	e	F	f	T	g	T	h	T
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Answers to Phrase Match and Spelling are in the text.