

Submission to

**Land Register Consultations Working Group
Foreign Investment and Trade Policy Division
The Treasury**

**Development of a National Foreign Ownership
Register for Agricultural Land**

130131

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Introduction

NSW Irrigators' Council (NSWIC) represents more than 12,000 water access licence holders across NSW. These irrigators access regulated, unregulated and groundwater systems. Our Members include valley water user associations, food and fibre groups, irrigation corporations and community groups from the rice, cotton, dairy and horticultural industries.

This submission represents the views of the Members of NSWIC with respect to the *Establishment of a national foreign ownership register for agricultural land* - Consultation Paper. However, each Member reserves its right to independent policy on issues that directly relate to their areas of operation, or expertise, or any other issue that they may deem relevant.

General Comments

NSWIC welcomes the opportunity to make a submission to the consultation paper on the *Establishment of a national foreign ownership register for agricultural land*. Whilst NSWIC concurs with the assessment that the development of such a register is important, we consider the scope of the register to be insufficient.

As the 2011 *Agricultural Land and Water Survey* indicated, around 89% of Australia's agricultural land and around 90% of Australia's water access entitlements are solely Australian owned. Given the close proximity of these two figures, it is puzzling that the Federal government is proposing to develop a foreign ownership register for land but not for water assets.

Agricultural land is only one input factor into the production of agricultural products. Water entitlement and associated water allocations are another vital input without which, Australian agricultural producers would not be able to provide the multitude of food and fibre products for the Australian and international market. For this reason, NSWIC submits, that the scope of the current proposed register be extended to also capture the foreign ownership of water access entitlements and other water access rights.

As a matter of completeness and transparency, the national foreign ownership register should include both the size and the location of foreign ownership of agricultural land and water access entitlements. This will provide the community with a better understanding of current ownership distributions of land and water resources within Australia.

Specific Comments

Transparency

As the consultation paper has highlighted, comprehensive information about foreign investment in Australian agricultural land is limited. This limitation of information also applies to the foreign ownership of water access entitlements. Whilst state agencies maintain a record of ownership in water access entitlements, no distinction is made between domestic or foreign ownership. As a matter of consistency and transparency, NSWIC submits, that the national foreign ownership register include information on both agricultural land and water entitlement holdings. This will furthermore ensure that information will be accessible at one central location rather than at a state registry level.

Thresholds

NSWIC considers it important that all foreign ownership holdings of land and water assets are recorded in the national register. Threshold consideration in relation to water access entitlements and other water access rights is not sensible as the value of those entitlements can vary and would hence give a distorted picture of foreign ownership holdings. For that reason, NSWIC submits that all transactions are included in the national foreign ownership register.

Timing

To present an accurate and up-to-date picture of any foreign ownership holdings (land and water assets), the national register should be notified of changes in ownership within a reasonable timeframe, preferably within 90 days of the date of acquisition or transfer .

Investment and Divestment

NSWIC concurs with the assessment that both the acquisition and disposal of land and water assets by foreigners should be recorded. For that reason the national foreign ownership register will need to include an obligation for investors to register their new investment and divestment in Australian agricultural land and water access entitlements.

ENDS.