

SE **Business**

HD **Foreign owners scoop up farmland**

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Forty-five large foreign-owned companies now own nearly 12 per cent, or 47.2 **million** hectares, of Australia's 400 **million** hectares of farmland, according to figures released by the Australian Bureau of Statistics.

These big foreign investors, which include pension funds, private **equity** players, foreign governments such as Qatar's Hassad Foods and global listed agricultural companies such as AACo, all own more than a minimum of 100,000ha of land each.

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Overall, 806 companies or part-foreign businesses now control nearly 50 **million** ha of Australia's 400 **million** hectare pastoral and farming country, equivalent to 12.5 per cent of the nation's farm area.

The ABS reported that since its last survey in 2010, an additional 5 **million** hectare had slipped into foreign hands, an increase of 11 per cent.

The figures provide the most recent snapshot of the sensitive political issue of foreign owned farms, since the Abbott government earlier this year altered the price threshold above which Foreign Investment Review **Board** approval for farm purchases must be sought from \$248 **million** to \$15m.

The government has also promised to bring in a foreign land register recording all farmland sales to foreign entities, but has stalled on its introduction because of fears it could hinder sensitive trade talks with **China**.

The most recent figures up until yesterday were from the Australian Bureau of Agricultural and Resource Economics in 2012 which recorded 11 per cent of farmland and 9 per cent of water entitlements as having some level of foreign ownership.

The latest ABS figures showed most foreign owned rural businesses either operated cattle feedlots — such as the Sumitomo feedlot at Rangers Valley near Glen Innes — vineyards, almond orchards or large horticultural, cotton or cropping ventures.

Despite the boom in Asian demand for **dairy** and **milk** products, the **dairy** industry remained the least foreign owned in 2013.

Irrigation water appears to be a growing attraction for foreign investors. While total agricultural water entitlements issued in Australia decreased in 2013 to 13.2 **million** megalitres with Murray-Darling Basin buybacks, the level of foreign ownership grew from 1.2 **million** megalitres in 2010 to 1.8 **million** megalitres last year.

This represented an increase of 55 per cent in three years, with 14 per cent of water licences now in foreign hands compared with 9 per cent in 2010.

The Northern Territory has the highest proportion of foreign controlled country with 32 per cent of its land, or 17.7 **million** hectares, in overseas hands.

Less than one third of Queensland is now foreign owned, while Victoria had the lowest level of overseas farmland ownership with just 2 per cent or 238,000 ha foreign owned. The area of agricultural land in Australia owned by businesses with a level of foreign ownership increased from 44.9 million hectares to 49.6 million in 2½ years.

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