



2 October 2020

The Manager
Policy Framework Unit
Treasury
Langton Cres
Parkes ACT 2600

Via email: FIRBStakeholders@treasury.gov.au

Re: NSW Farmers' comments on Exposure Draft Regulations (Protecting Australia's National Security – Agricultural Land value threshold)

The NSW Farmers' Association ('NSW Farmers') welcomes the opportunity to comment on the Exposure Draft Regulations, specifically regarding the Agricultural Land value threshold.

NSW Farmers' is Australia's largest State farming organisation representing primary producers across all agricultural commodities. Farmers across New South Wales contribute significantly to the State and national economies with NSW food and fibre production representing around one quarter of Australia's annual total agricultural output.

In our initial submission to the consultation on the Major reforms to the Foreign Investment Review Framework in early September 2020 NSW Farmers supported the review of the framework and identified the need for additional transparent and ongoing compliance processes. In supporting this review the Association also noted the importance of effective decision making and oversight of foreign ownership for all agricultural land, food processing infrastructure, and water interests. It is important to the Australian food security that primary producers, particularly family farm businesses, remain competitive in the Australian farming sector against large corporations and foreign investors.

In March 2020, the Australian Government announced that the monetary screening thresholds for all foreign investments subject to the *Foreign Acquisitions and Takeovers Act 1975* would be reduced temporarily to \$0 to ensure appropriate oversight during the coronavirus crisis. NSW Farmers' seeks a permanent lower threshold for the assessment of agricultural land of \$5 million cumulative.

In reviewing the Exposure Draft Regulations the recommendation is that the threshold value for agricultural land is to be set at \$15 million. This applies to both agricultural land being acquired by a foreign person or agricultural land or agricultural land that is held by an agricultural land corporation or an agricultural land trust if the interest is being acquired by a foreign person.

NSW Farmers notes that this is no change to the current threshold. Given this, we reiterate the importance of a public searchable register, strong legislative safeguards, and appropriately funded independent monitoring of compliance with the terms of the foreign investment agreement.

Should additional information be required please contact Kathy Rankin, Policy Director on 02 9478 1008 or by email at rankink@nswfarmers.org.au.

Sincerely,

A handwritten signature in black ink, appearing to read 'Peter Wilson'.

Peter Wilson
Chair, Business, Economics and Trade Committee

NSW Farmers' Association

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