



ABS Submission to the consultation paper: 'Establishing a national foreign ownership register for agricultural land'

Rural Environment and Agriculture Statistics Branch

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Background

On 15 June 2012 the Government announced the formation of a working group headed by Commonwealth Treasury to consider the development of a register of foreign-owned agricultural land (the Register). The ABS accepted an invitation from Treasury to provide advice to working group meetings as required, in the role of an observer/advisor.

The ABS welcomes the opportunity to contribute advice in regards to aspects of the Register that are relevant to ABS's areas of expertise – not only in the collection and dissemination of aggregate statistics, but also in relation to the development and use of standards, classifications, and definitions; administrative data acquisition and management; data integration; and dissemination issues including confidentiality. The ABS is particularly interested in the potential for the Register to be a statistical asset of value to a range of users interested in data on foreign ownership of agricultural land and related agricultural issues.

ABS developed and ran the Agricultural Land and Water Ownership Survey (ALWOS) for the reference period 30 December 2010 in response to a policy requirement for data on this topic. This was the first ABS collection of its kind since 1983-84. The results found that as at 31 December 2010:

- 99% of agricultural businesses in Australia were entirely Australian owned;
- 89% of agricultural land was entirely Australian owned; and
- 91% of water entitlements for agricultural purposes were entirely Australian owned.

Following the 2010 survey, the Government funded the ABS to undertake expanded and ongoing collection of information on foreign ownership of agricultural land and water via further ALWOS collections in 2013 and 2018, and through additional questions in the 2015-16 and 2020-21 Agricultural Censuses.

In this submission ABS provides advice on three aspects of the Register most relevant to its potential value as a statistical asset, and on which ABS has expertise to contribute. These are:

1. Definitions, scope, standards and classifications;
2. Data to be collected and data integration; and
3. Data dissemination and confidentiality

1. Definitions, scope, standards and classifications

The ABS, under the National Statistical Service (NSS), promotes the use of common standards and classifications, where possible, to enable integration of existing data and the production of richer datasets.

The use of comparable standards, definitions and scope between a land ownership Register and other data collections relating to foreign ownership of agricultural land would allow for data confrontation that would improve the quality and usefulness of both the Register and the other data sources. The ABS can provide the working group with advice on identifying and/or

developing appropriate classifications, standards and definitions for the Register, as well as advice on concordances/correspondences between these and other classifications, standards and definitions such as those used in the 2010 ALWOS survey.

As noted in the consultation paper, the Register will need to involve bringing together data from state and territory land registration systems, as there is currently no national-level land or water register or title system.

ABS has experience in capturing and integrating administrative data from various sources, through supporting and encouraging the use of common data and metadata exchange standards. This expertise could be used by the working group in considering how to capture, integrate and quality-assure data from state/territory land titles registers to a common source. The ABS can advise further on the issues surrounding this to the working group if required.

Another important consideration for the design of the Register will be how to integrate the land-based information drawn from the state and territory-based land registers, with the business-based information (such as business name, country of ownership etc) drawn from the owners or long-term lessees of the agricultural land. An issue in relation to this is how the Register may capture changes that occur in the ownership structure of the business that owns the land, where no changes to the actual land ownership has occurred (for example, due to a corporate takeover of the business owning the land). ABS has expertise in linking land-based data to business-based information through our use of an Australian Business Register-based frame for our agricultural surveys. A common approach to this issue would also promote comparability between the Register and ABS agricultural collections, including ALWOS.

2. Data to be collected and data integration

When considering the data items to be collected in the Register, in addition to considering what items are needed to meet the Register's purpose ('to improve transparency of foreign ownership of agricultural land'), the ABS suggests the working group also consider which items would maximise the ability to compare, integrate and/or link data from the Register with other data sources – for example: ALWOS; data from the Foreign Investment Review Board (FIRB) or Queensland Foreign Ownership of Land Register; other ABS business-based surveys such as the International Investment Position (IIP) collection, or annual agricultural survey; and other data sources. In order to maximise the statistical value of the Register, ABS recommends it collect the following information:

- A unique identifier for the land owner that can provide a hard-match to other data sources – for businesses this would be their Australian Business Number (ABN);
 - level of foreign ownership of the business that owns the agricultural land;
 - geographic location of the land (coded to an agreed level from an agreed standard geographic classification, such as the Australian Statistical Geography Standard – ASGS);
 - industry of the business owning the land (collected to an agreed standard such as the Australian and New Zealand Standard Industrial Classification 2006 (ANZSIC06);
 - land parcel identifier (for linking to other land-parcel based information); and

- size of the land (ha).

(^as defined, e.g. the working group is considering inclusion of long-term leases of >5 years as equating to 'owning' the land for the purposes of the Register.)

Collecting ABN on the Register would allow for the possibility of integrating data from the Register with the Australian Business Register (ABR). The ABR, as the central storage point for business identity information for all entities with an ABN, provides an important service for government agencies in allowing them to access and re-use business identity information in their dealings with businesses, streamlining their interactions with business and reducing the overall number of transactions business must make with government. The ABR underpins the frame used for ABS business surveys, and use of this frame for ALWOS improved the comparability of data from the survey with other data sources (both ABS and non-ABS).

The ABS has a longstanding relationship with the ATO and ABR and could assist in brokering discussions between the working group and the ATO/ABR on this. Any data integration would need to be undertaken in accordance with the [Commonwealth High Level Principles for Data Integration](#) and associated governance and institutional arrangements. ABS is also able to provide advice to the working group on this, having received the first interim Commonwealth Integrating Authority accreditation under these arrangements as of April 2012. There is potential for the Register itself to be used as a frame for statistical surveys (conducted by ABS or others) which could collect additional data of policy interest to users. For example, data on the agricultural production from the farm; land management practices undertaken; amount of produce exported; and other relevant information.

2.1 Stocktake.

Question 7 in the consultation paper asks whether it is important that "the national foreign ownership register for agricultural land should include an initial stocktake of land holdings by foreign persons, noting the potential compliance and other costs that may be involved". The paper notes that an initial stocktake would "provide a baseline against which changing levels of ownership data could be assessed". The working group has subsequently queried whether ALWOS data would provide a substitute for such a stocktake.

ABS notes that the ALWOS information could not provide a substitute for a stocktake, as it produces only aggregate, point-in-time statistics which would not allow for tracking of flows in acquisitions and disposals of land between surveys. A stocktake would provide a starting 'snapshot' of foreign ownership of agricultural land, from which the ebbs and flows in ownership over time could be tracked through subsequent registrations of disposals and further acquisitions. Aggregate statistics from the stocktake on foreign land ownership would provide a useful complement to ALWOS data and comparison of the two sources could assist in improving the quality of both collections.

It will be important for there to be an agreed maintenance strategy for the Register which clarifies what types of changes in the ownership of agricultural land will be tracked and monitored through the Register and which will not, as this will affect the interpretation of the quality of the resulting statistics from the Register. For example: how will changes in part ownership be captured in the Register? If the land changes from agricultural to another land

use after purchase by a foreign owner, is there a way to ensure the land is removed from the Register? The maintenance strategy will need to cover changes in relevant characteristics of the business owner/s and the land itself in order to ensure the Register's coverage of foreign ownership of agricultural land remains current and the statistics produced accurately reflect this.

3. Data dissemination and confidentiality

Under Section 12 of the Census and Statistics Act 1905, (C&S Act) the ABS must publish and disseminate the results, or abstracts of those results, of compilations and analyses of statistical information collected under the C&S Act. However, Section 12 also requires that any publication or dissemination of these statistics collected under the Act must not be done in a manner that is likely to enable the identification of a particular person or organisation. (Further information this is provided for survey respondents on our website under: Survey Participant Information – Legislation – How the ABS keeps your information confidential).

The ABS thus has built up a range of experience in managing disclosure risk through systems, processes, policies and governance procedures which could be used by the working group in considering how privacy and confidentiality may be managed in relation to the Register and the storage, processing and output of Register data.

The condition of confidentiality is an important guarantee to ABS survey respondents and helps ensure continued goodwill with respondents in returning survey data. The ABS recommends the Register make clear to registrants how their data will be managed and protected in accordance with relevant legislation (such as the Privacy Act) and through appropriate governance, processes and system protocols in the Register's operation.

The ABS would be pleased to provide further advice to the working group on any of the above issues and/or any other issues related to the use of the Register as a statistical asset, as required.

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