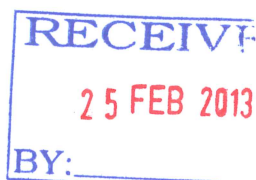


1st February 2013

Land Register Consultations Working Group
Foreign Investment and Trade Policy Division
The Treasury
Langton Crescent
PARKES ACT 2600



Dear Sir,

The National Australia Bank ('NAB') welcomes the opportunity to respond to the Land Consultation Working Group's consultation paper concerning the **Development of a National Foreign Ownership register for Agricultural Land.**

We trust our comments are of value to the Working Group.

If you require any further information on this matter, please contact Justin Owen, Senior Manager, Government Affairs and Public Policy, t: 02 9237 9300.

Yours sincerely,

Khan Horne
General Manager Agribusiness
National Australia Bank

NATIONAL AUSTRALIA BANK OVERVIEW

National Australia Bank Group is an international financial services organisation structured around regional banking, wealth management and an international capital markets and institutional banking business.

The Group, serving some 8 million banking customers, is backed by a strong balance sheet and operations in Asia, Australia, New Zealand, the United Kingdom and the United States of America. Our international relationships, coupled with our knowledge of local market environments, enable us to deliver results efficiently and effectively, worldwide.

Across the Australian region our Business Bank is Australia's largest business lending and deposit gatherer. The bank provides lending, deposit, custody, asset finance, financial planning and merchant services to more than 700,000 customers ranging from small to medium enterprises through to corporate clients.

NAB is the leader in the provision of agribusiness banking services to Australian rural businesses, agriculture and the forestry and fishing industries. Our 600 agribusiness specialists in 110 regional locations service customers from small farming enterprises to large multinational operations Australia wide.

NAB Agribusiness banks over 1 in 4 Australian agribusinesses. Our market share by total lending volumes is 30.7% (APRA/NAB Market Analysis September 2012).

NAB Agribusiness has a strong record in providing key insights into industry and associated commodities, as well as commentary on domestic and international economic financial trends affecting the sector. With more than 150 years of agribusiness experience NAB is well qualified to comment on the Land Consultation Working Group's consultation paper.

CONSULTATION PAPER COMMENTARY

NAB Agribusiness fully supports the moves announced by the Federal Government in October 2012 to improve the transparency of foreign ownership of agricultural land and agribusiness without the imposition of unnecessary burdens on investors or the duplication of work already undertaken by State and Territory Governments.

NAB firmly believes that the long history of foreign investment in Australian agriculture has been beneficial both to the agricultural sector and to the Australian economy in general. Foreign investment has allowed Australian agribusiness to expand and prosper. Maintaining the public's confidence in the positive and productive role foreign investment plays in Australian agriculture and agribusiness is vital to Australia's long-term economic interests. We believe that full transparency of the amount of foreign ownership of Australian agribusiness and agricultural land is crucial in achieving this aim.

THE REGISTER

NAB Agribusiness believes that any Register must be able to provide detailed information concerning foreign ownership at both the State and the relevant Local Government level. Such information should then be able to be correlated with sub-sets of agricultural industry. The breakdown of data between permanent and temporary foreign ownership, as well as direct and indirect ownership, should also be retained on any proposed Register.

Information of this level of detail will assist in ensuring there is an open, rigorous and honest debate about the concentration of foreign ownership in particular industries or regions.

NAB Agribusiness submits that such information could be obtained by State and Territory Land Titles Offices. Existing processes by which

mortgages are registered and discharged provides an ideal opportunity for the further transmission to the Land Titles Office by parties of foreign ownership information.

The issuance by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) of an annual report (possibly in conjunction with the yearly Outlook conference) examining foreign ownership levels would allow excellent transparency and allow all stakeholders to monitor any trends and significant movements across the agricultural land and agribusiness sector.

This annual report should also look to consider post-farm gate value-adding activities. The inclusion of post farm-gate agricultural activity in any meaningful register of foreign ownership is vital to ensuring the accuracy and transparency of any register. It would play a positive role in ensuring the debate over foreign ownership remains informed.

Finally, NAB Agribusiness is of the view that any threshold established as requiring inclusion on the register should be based on the value of the land or business itself rather than the size of the land in question. We have not proposed a minimum threshold, but submit that any proposed amount should be subject to a full review and, if necessary, update every five years.