An overview of the challenges and opportunities associated with foreign investment in Australian agriculture
Australian investment environment

Some key questions

Foreign farm and agribusiness ownership

Risks and opportunities

Need for policy response?
One of Australia’s largest superannuation fund managers had no investment exposure to Australian agriculture, despite managing 10% of Australia’s trillion dollar superannuation investment pool.
Some key questions

- What is the extent of foreign investment in agriculture, and has this changed recently?

- What are the dangers and opportunities associated with ‘selling off the farm’?

- What should governments or industry do about this issue?
Foreign farm land ownership

- ABS (2011)
  - 44 million Ha (11%) of Australian farmland had some degree of foreign ownership
  - 99% of Australian agricultural businesses entirely Australian owned
  - 10% of water entitlements have foreign ownership
  - Little change since 1984
Foreign ownership of agribusiness

- Grain trading and storage: 40-55%
- Dairy processing: 50%
- Sugar processing: 60%
- Red meat processing: 40%
- Vegetable processing: foreign dominated
- Pork: 25% foreign
- Cotton processing: foreign dominated
- Beef feedlots: foreign dominated
- Grain/oilseed processing: 65-95%
- Poultry: 100% Aus (for now)
Risks and opportunities

- Diversion of production
- Unfair access to finance
- Sustainable management
- Foreign workers

- Innovation
- Capital investment
- Market access
… risks arise not so much from foreign agribusiness ownership *per se*, but from monopoly or near monopoly control over supply chains.
Need for policy response?

Figure 2: Foreign companies buying Australian farmland

Now about foreign companies buying Australian farmland to grow crops or farm livestock. Are you personally in favour or against the Australian government allowing foreign companies to buy Australian farmland to grow crops or farm livestock? And is that strongly or somewhat?

- Strongly in favour: 5
- Somewhat in favour: 13
- Don't know: 1
- Somewhat against: 18
- Strongly against: 63
Corporate Supporters

Current Platinum & Gold Corporate Partners:
- Commonwealth Bank
- RURAL PRESS LIMITED
- Elanco
- Grain Growers
- Nufarm
- AA CO
- MLA
- Rabobank
- awi
- Growing the Business of Farming
- Farmers Association
- Pfizer Animal Health
- Westpac Agribusiness
- LANDMARK

Current Corporate Partners:
- MAFFLE SUSTAINABLE FARMING INC
- Agriculture's Future
- AUSCOFF LIMITED
- Rural Finance Let's talk
- ANZ
- Victorian Farmers Federation
- AFF AUSTRALIAN FOOD & FIBRE LIMITED
- MONSANTO
- SUNRICE
- Australian Pork
- RIDLEY
- NUFFIELD AUSTRALIA FARMING SCHOLARSHIPS