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Senate Inquiry: Foreign acquisition amendment (agricultural land) Bill 2010

We write to you in support of the proposed amendments to the Foreign Acquisitions and Takeovers Act 1975.

We appreciate that individuals may wish to cash in with a lucrative sale of their freehold land to a foreigner. But individuals are legally restricted in doing some things that they want to do in the national interest (e.g. paying tax to fund the army) and Eacham Landcare thinks open-slather on foreign acquisition of agricultural land is one such thing. Currently (as we understand it) it is only when a farm purchase exceeds \$250 million that the Foreign Investment Review Board even considers looking at sale and decides whether it is in the national interest. This is far too lax.

We endorse your four amendments to the Act, namely:

Implement a national interest test to be applied against proposed foreign acquisition of agricultural land

Require any interest in agricultural land greater than five hectares to be notified to the Treasurer

Require online publication of information about foreign acquisitions of interest in agricultural land

Impose penalties for not notifying the Treasurer of a proposed acquisition

However, we submit that these should go further:

Land should not be sold to nationals from countries where Australians cannot buy land of similar tenure. i.e. free-hold land

Any transactions carried out without notifying the Treasurer and being subject to a national interest test are nul and void. There is a danger in simply applying a penalty, but allowing the transaction, as the penalty could be simply included in the price of the transaction, so these proposed sensible amendments will become ineffective.

Yours faithfully

Russell Fry
President