

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

19 – 20 October 2011

Question No: SBT 209 - 214
Topic: Agricultural Land Survey
Hansard Page: Written

Senator Xenophon asked:

209. The sample size of the agricultural land survey was 11,000 agricultural businesses, from a total population of approximately 165,000 agricultural businesses.
- a) Is a 6.6 percent sample size of the total population really considered representative?
 - b) And, only 92% responded, so in actual fact the sample size was just 10,120 ... 6.1 percent of the total population of 165,000 agricultural businesses.
210. Of the sample size, where were they located? Is that proportionate to the total number of agricultural businesses?
211. Of the sample size, what businesses did they operate? Is that proportionate to the total number of agricultural businesses?
212. What were the questions that were asked of these businesses?
213. How much was spent on conducting this survey?
214. Considering the expense, do you think it was a wasted exercise not to obtain and collate more information?

Answer:

209.

a) The sample used for the Agricultural Land and Water Ownership Survey (ALWOS) was designed to provide representative estimates of agreed quality. In designing the sample, the Australian Bureau of Statistics (ABS) stratified the population of interest by grouping the businesses by geographical area and agricultural industry. The sample consisted of a completely enumerated sector of businesses (i.e., all businesses in this sector were sampled) and businesses selected to represent other like businesses in their stratum.

b) The sample design assumed an 85% response rate, and therefore achieving a 92% response rate for the ALWOS allowed a greater quality of estimates to be produced.

210. The businesses selected in the ALWOS sample were representative of all businesses undertaking agricultural production across Australia. Businesses were sampled from every state and territory to ensure state/territory level estimates could be created.
211. The businesses selected in the ALWOS sample were representative of all businesses undertaking agricultural production in all agricultural industry groups. Businesses were sampled from every Australia and New Zealand Standard Industry Classification (ANZSIC) agricultural industry groups (i.e. those contained in ANZSIC subdivision 01).
212. The survey collected information on foreign ownership of agricultural businesses, agricultural land and water entitlements used for agricultural activities as at 31 December 2010.

The ALWOS provides data for the following categories of outputs:

- Foreign ownership of agricultural businesses in Australia (count and percentage);
- Foreign ownership of Australian agricultural land (area of holding and percentage); and
- Foreign ownership of water entitlements (used for agricultural purposes) in Australia (volume of water and percentage).

The ALWOS survey questionnaire is attached.

213. The total expenditure across the ABS to conduct the survey was \$802,817. This figure is an internal cost and as such excludes both corporate overheads (i.e. accommodation costs, workers compensation insurance costs) and GST. This expenditure covers the full range of survey tasks from development through to output.
214. The ALWOS provided data which met the agreed output requirements.

The agreed output specifications for the survey identified by the Department of Treasury, the Australian Bureau of Agriculture and Resource Economics and Sciences (ABARES) and the Department of Agriculture, Forestry and Fisheries (DAFF) were:

- Foreign ownership of agricultural businesses:
 - Count and percentage of businesses by level of foreign ownership by State;
 - Count and percentage of businesses by level of foreign ownership by agricultural industry at the Australian level only;
- Foreign ownership of Australian agricultural land:
 - Area of holding (Ha) and percentage of agricultural land by level of foreign ownership by State;
 - Area of holding (Ha) and percentage of agricultural land by level of foreign ownership by agricultural industry at the Australian level only;
- Foreign ownership of water entitlements (used for agricultural purposes):
 - Water entitlement (megalitres) by level of foreign ownership by State;
 - Water entitlement (megalitres) by level of foreign ownership by agricultural industry at the Australian level only;

During determination of the information requirements with the Department of Treasury, ABARES and DAFF, it was agreed that the level of direct foreign ownership in businesses undertaking agricultural activity was of primary interest. As such, the survey does not provide information on foreign ownership via complex chains of business ownership and control. Nor does it provide information on the specific country of investment or ownership of businesses with any level of foreign ownership.