

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Department of Regional Australia, Local Government, Arts and Sport

Additional Estimates 13 - 16 February 2012

Question: 32

Topic: Norfolk Island - Land Ownership

Asked By: Senator BACK

Type of Question: RRA&T 109

Date set by the committee for the return of answer: 30 March 2012

Number of pages: 1

Senator BACK: I would also be very interested to read the reviews over time and learn what really is the prospect for agriculture on the island, particular associated with eco- or organic farming. I understand there is quite a move on the island. In fact, it has been put to me that some of the difficulties associated with securing bank finance to advance some of these organic farming projects have been linked in some way to the insecurity associated with leasehold land. If I could receive some information on that, I would be appreciative.

Answer:

Under the Norfolk Island Land Initiative, 128 leaseholders of residential, rural and rural/residential Crown leases took up the Australian Government's offer to purchase the land freehold at heavily discounted rates.

The majority of land on Norfolk Island is owned freehold. The Department considers that the small amount of leasehold land within land zoned as rural or rural residential (approximately one per cent of zoned land) would not significantly impact the establishment of organic farming projects on Norfolk Island.

The *Norfolk Island Economic Development Report* (Report) by ACIL Tasman notes that high transport costs and quarantine restrictions limit the extent to which farming activities can develop on Norfolk Island.

However, the provision of agricultural extension services on Norfolk Island would be beneficial for the local agricultural sector. The full Report is available on the Department's website.

The Department cannot provide information on difficulties associated with securing bank finance for leasehold land as this is a matter for the private sector.