

ANNUAL REPORT 2016-2017

on administration of the

Foreign Ownership of Land Register Act 1988

This publication has been compiled by Titles Registry, Department of Natural Resources and Mines.

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ANNUAL REPORT on the administration of the *Foreign Ownership of Land Register Act 1988 (Qld)*, 2016-2017.

This report is provided in accordance with Section 16(1) of the *Foreign Ownership of Land Register Act 1988* (the Act) and covers Titles Registry operations for the period 1 July 2016 to 30 June 2017.

The Act provides for the disclosure of foreign ownership of land in Queensland. All foreigners, as defined in the Act, are required to notify the Registrar of Titles of any acquisition or disposal of land or a relevant interest in land. (See **Attachment A** for definition of a foreigner).

An interest in land is as defined in the Act and can include an interest in freehold land (including a lot within a community titles scheme), State leasehold land and other specific types of interests. The Act does not require the separate identification of different land uses. (See **Attachment A** for definition of interest in land).

Notifications given in compliance with the requirements of the Act are maintained in the Foreign Ownership of Land Register. Foreign ownership of land in the State is monitored to the extent of the notifications received.

Titles Registry records indicate foreign interests invested more than \$4.28 billion in Queensland property during the reporting period, an increase of over \$0.4 billion from the previous year.

Statistics compiled from notifications of acquisition and disposal reveal that, as at 30 June 2017, foreign owned interests in land in Queensland totalled approximately 10,587,840 hectares, representing approximately 6.1% per cent of the state's land area (See **Attachment B** for the methodology used). It should be noted that compliance activities have accounted for some of the additional notifications which are included in this report.

There were 140 countries of origin recorded in the register as at 30 June 2017.

The Australian Government now publishes data (usually annually) on foreign ownership of agricultural land in Australia. It is noted that the area of Queensland land the Australian Government's data identifies as foreign owned, is different to the area of land identified in this report. This appears to be due to a range of factors including differences in the definition of who is considered to be foreign, in particular with respect to corporations, and differences in what interests in land are required to be reported, in particular with respect to leases with terms between 5 and 25 years. There may also be differences due to the level of compliance with the Queensland legislation and the Titles Registry will continue to investigate this issue.



EV Dann
Registrar of Titles

1. Value of annual acquisitions

2014/15		2015/16		2016/17	
Country	Value (A\$)	Country	Value (A\$)	Country	Value (A\$)
China	872,519,760	China	1,349,535,345	China	1,476,638,882
Singapore	421,554,777	Singapore	471,034,708	USA	508,401,131
USA	119,697,996	USA	438,617,428	Jersey	417,625,004
Hong Kong	111,991,864	Germany	229,718,295	KOR	220,689,172
United Kingdom	110,506,246	KOR	201,654,742	Hong Kong	216,165,381
Malaysia	68,367,946	United Kingdom	142,817,590	Germany	203,096,033
Others	433,816,912	Others	979,772,996	Others	1,241,617,079
Total	2,138,455,501	Total	3,813,151,106	Total	4,284,232,682

Table 1 shows the six countries with the highest recorded value of annual acquisitions of land during each of the last three financial years.

2. Total land area owned (by nationality) as at 30 June*

2015		2016		2017	
Country	Area (ha)	Country	Area (ha)	Country	Area (ha)
United Kingdom	2,229,850	United Kingdom	2,208,150	United Kingdom	2,217,900
USA	548,070	China	1,602,890	Netherlands	1,892,760
Switzerland	427,900	Netherlands	1,141,780	China	1,630,200
Netherlands	293,990	Luxembourg	651,150	Bahamas	915,890
Germany	525,570	USA	618,880	USA	691,080
China	237,490	Switzerland	517,820	Guernsey	538,000
Other	1,891,430	Other	2,728,670	Other	2,702,010
Total	5,881,300	Total	9,469,340	Total	10,587,840

Table 2 shows the six countries with the highest recorded land ownership by area as at 30 June for each of the last three years.

*Approximate areas only.

Note: some of the changes between 2016 and 2017 relate to compliance activities by the Titles Registry as well as purchasing activity in 2016-2017

3. Total land parcels with some level of foreign ownership (by nationality) as at 30 June

2015		2016		2017	
Country	Number	Country	Number	Country	Number
United Kingdom	5,904	United Kingdom	5,861	China	7,673
China	3,585	China	5,448	United Kingdom	5,817
New Zealand	2,617	New Zealand	2,594	New Zealand	2,536
Japan	2,451	Japan	2,475	USA	2,461
USA	2,396	USA	2,380	Japan	2,405
Singapore	1,848	Singapore	1,995	Singapore	2,147
Others	12,332	Others	12,973	Others	14,123
Total	31,133	Total	33,726	Total	37,162

Table 3 shows the six countries with the highest recorded ownership of land parcels as at 30 June for each of the last three years.

Code	Country	Code	Country
USA	United States of America	KOR	Republic of Korea (South Korea)

**Foreign Ownership of Land Register
(Categories ranked by top 10 local government areas)**

**1. Value of annual acquisitions in 2016/17
ranked by local government area (top 10)**

Local Government	Value (A\$)
Brisbane City	2,098,802,214
Gold Coast	1,075,942,031
Logan	210,964,002
Cairns	150,930,755
Moreton Bay	72,428,890
Douglas	67,749,500
Sunshine Coast	65,738,980
Ipswich	53,046,958
Toowoomba	47,828,912
Mount Isa	47,353,248

*Approximate areas only

**2. Total area foreign owned - ranked by local
government area (top 10) as at 30/6/17 ***

Local Government	Area (ha)
Bulloo	1,348,380
Barcoo	1,334,050
Diamantina	1,103,340
Mareeba	581,105
Boulia	517,120
Carpentaria	486,960
Cloncurry	475,680
Quilpie	472,345
Burke	471,385
Croydon	406,000

**3. Total land parcels with some level of
foreign ownership - ranked by local
government area (top 10) as at 30/6/17**

Local Government	Number
Gold Coast	8,736
Brisbane City	8,258
Isaac	3,398
Cassowary Coast	2,133
Central Highlands	1,678
Cairns	1,032
Moreton Bay	984
Sunshine Coast	975
Ipswich	884
Logan	778

ATTACHMENT A - Definitions

Interest in land*

-includes an estate or interest

- In freehold land
- In state leasehold land
- In a licence or permit granted under the *Land Act 1994*
- Of a lessee of freehold land or a sublessee of leasehold land where the term including all options exceeds 25 years

*Interest in land is defined in Schedule 1 of the *Foreign Ownership of Land Register Act 1988*

Foreigner

“Foreigner” is a general term applied to Foreign Persons or other entities as referred to in the *Foreign Ownership of Land Register Act 1988*.

Foreign Person*

-includes but is not limited to

- An individual who is not an Australian citizen, and whose presence in Australia is subject to a time limitation imposed by law or is not domiciled in Australia (*foreign natural person*)
- A body that is formed outside Australia and its external territories (*foreign corporation*)
- A corporation in which a foreign natural person or a foreign corporation holds a controlling interest
- A corporation in which two or more persons, each of whom is either a foreign natural person or a foreign corporation, hold an aggregate controlling interest

*Foreign Person is defined in Schedule 1 of the *Foreign Ownership of Land Register Act 1988*.

ATTACHMENT B – Methodology

The information contained within the Foreign Ownership of Land Register is collected as a part of the standard conveyancing and title transfer process in Queensland.

The reporting is based on notifications received by the Registrar of Titles under the Queensland *Foreign Ownership of Land Register Act 1988* (FOLRA). It is the responsibility of the foreign person or corporation to ensure they meet their obligations under the FOLRA. Information relating to land use of foreign owned properties is not recorded in this register.

The data in this report was extracted from the Foreign Ownership of Land Register covering transactions lodged for the 2016/17 financial year.

In accordance with the definition for 'Interest in land' in Attachment A, land that has been included in this report includes an estate or interest;

- in freehold land
- in leasehold land
- in a licence or permit granted under the *Land Act 1994*
- of a lessee of freehold land or a sublessee of leasehold land where the term including all options exceeds 25 years.

The size of land parcels as presented in this report has been sourced from the Department of Natural Resources and Mines' Digital Cadastral Database reflecting survey plan data.

The calculation for the Queensland area (as a whole) (173,064,800 ha) is based on data provided by Geoscience Australia. The data is nationally uniform and is the most authoritative data source currently available to calculate the entire area of Queensland.

In this report, the land size is apportioned according to the percentage of internationality of the persons or corporation that holds the interest in the land. To illustrate, five scenarios are provided below with different types of foreign ownership.

- | | |
|-------------------|--|
| Scenario 1 | 100,000 ha owned in five equal shares with one of the shares being held by a foreign person – recorded in the register as 20,000 ha foreign owned. |
| Scenario 2 | 100,000 ha wholly owned by a corporation, in which a 50% stake is held by three foreign people, and a 50% stake is held by Australians – recorded in the register as 50,000 ha foreign owned. |
| Scenario 3 | 100,000 ha wholly owned by a corporation, in which a 20% stake is held by ten foreign people, and an 80% stake held by Australians – recorded in the register as 20,000 ha foreign owned. |
| Scenario 4 | 100,000 ha wholly owned by a corporation registered in Australia but 100% foreign controlled – recorded in the register as 100,000 ha foreign owned. |
| Scenario 5 | 100,000 ha wholly owned by a corporation in which a 25% stake is held by a foreign owner and the remaining 75% stake is held by five Australian owners each with a 15% share in the corporation, meaning the foreign owner holds a controlling interest in terms of the FOLRA – recorded in the register as 25,000 ha foreign owned. |

Scenarios demonstrating the different apportionment applied depending on the level of foreign ownership in the Queensland Report.

NOTE – these are examples only and should not be used as a basis for the calculation of reporting requirements by corporations or individuals