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Rural Landownership in South East Australia since European Occupation

GINA LENNOX & ALLAN CURTIS, Charles Sturt University, Australia

ABSTRACT This paper provides historical context for contemporary discourses on landownership, notably the changing scale of absentee landownership and foreign ownership since 1849. Trends in landownership since European occupation of one of the most agriculturally productive regions in south east Australia, the Lachlan River catchment, are examined at regional, shire and district scales. Evolution of tenure indicates that absentee landowners owned most of the land until after 1935, but between the 1860s and 1970 the proportion of landowners who were resident landowners increased. In 1970, resident landowners owned most land. Since 1970, absentee landownership has increased, the most dramatic increase occurring after 1990. By 2009, absentee landownership had reached the high levels of 1849. While most contemporary types of landowners have historical antecedents, new trends include changes in the country of origin of foreign investors, increased small property ownership by city-based individuals and the establishment of Indigenous incorporated ownership.

KEY WORDS Rural history; landownership; absentee landowner; corporate agriculture; foreign landownership; Indigenous landownership.

Introduction

Throughout history, owning substantial land has conferred political, economic and social power (Powelson 1988). In the twenty-first century, with increasing, often competing demands on rural land, ownership of property rights and how these are used will impact agriculture, food and water security, social equity, land rights and biodiversity conservation. Yet there are no national and few regional statistics on the extent of different types of landowners and the area they own. The Australian Bureau of Statistics, the US Economic Research Service and Eurostat do not collect these data, while few studies identify the extent of a given type of landowner as a proportion of all landowners, or compare productive outcomes of different types of landownership (see Petrzelka et al. 2013). Most studies are ahistorical (Hoggart & Paniagua 2001), only a few studies having investigated long-term trends (e.g. Powelson 1988; Heasley 2003). Yet, without an accurate understanding of historical contexts, it is difficult to assess current trends and their implications (Cotula 2012) and develop sustainable policies on a regional, national or international scale (Hamblin 2009). For instance, absentee landownership often involves a separation of ownership from management, which has multiple social,
political, economic and environmental implications, all of which require informed policy responses.

This paper provides historical and contemporary assessments of trends in rural landownership that challenge assumptions in the literature about the changing scale of absentee landownership, including foreign ownership, in the twenty-first century. A discussion of the concept of absentee landownership is followed by a summary of literature on international trends in landownership since the nineteenth century. A description of the research approach then precedes key findings for trends in landownership since European occupation of the Lachlan River catchment of New South Wales (NSW), Australia, which includes regions identified in Figure 1.

Absentee landownership is a controversial term that has been variously defined. One definition is that absentee owners, hereafter called AOs, do not cultivate the land they own (Veblen 1997). Most researchers include the concept of non-residency (e.g. Petrzelka & Marquart-Pyatt 2011; Petrzelka et al. 2013). For instance, Kollmorgen and Jenks (1958) classified local town-based farmers as AOs. Other researchers exclude landowners living within a specified radius of their property (e.g. Johnson et al. 1987). As with every definition, there are fuzzy boundaries, and in this paper an AO is defined as an individual or corporate entity whose primary residence is not located on the land they own, ‘ownership’ and ‘residency’ impacted by the socio-cultural context. Thus, an individual whose work takes them away from their primary residence for periods of time, or a farmer who lives in a village and commutes to one or more plots within the jurisdiction of the village, is a resident owner, hereafter called an RO, but a chief decision maker who has relocated to an urban centre is an AO.

**Figure 1.** Lachlan Squatting District (1849), Lachlan LHPA, Bland and Cowra Shires (2009). *Note: ACT is the Australian Capital Territory, where Canberra is located.*
Globally, ROs comprise a high proportion of all landowners (FAO 2010) although they often own smaller areas compared to AOs (Cahill 2007). Moreover, the international literature suggests that in many societies the ascendency of resident ownership in the latter half of the twentieth century may be a short-lived aberration rather than the norm. In the nineteenth and early twentieth centuries, absentee landownership was extensive. Absentee-owned land or land rented out ranged from 60 to 90 per cent of all land in Europe, the Middle East, South America, southern China and the USA (Powelson 1988). During this time, foreign and national state authorities, royalty, aristocracies, political elites, religious institutions, entrepreneurs, creditors and joint stock companies contributed to the extensiveness of absentee landownership (Powelson 1988; Wells 1989). Yet in the second half of the twentieth century resident landownership increased internationally, mainly because of political interventions involving land, tax, inheritance and tenancy reforms and farmer support schemes (Riddell 2000; Cahill 2007).

However, more recent trends involve an international decline in numbers of resident farmers and increased absentee landownership (Jian-Ming 2001). In Australia, a minimum of 54 per cent of all land may be absentee-owned (Alexandra & Stanley 2007; Geoscience Australia 2010; Moir 2011), excluding substantial areas owned by in-country corporations and families owning non-contiguous properties (Clark 2008; ABS 2012). In the USA, 42 per cent of all rural landowners are non-operators (Hoppe 2006), although their residency status is unspecified. Absentee landownership is increasing in Europe, Asia, Africa and South America as a result of individuals moving to urban centres for work, education or retirement, often leaving their land underused (Jian-Ming 2001). Meanwhile, city-dwellers are investing in small properties for hobby and lifestyle purposes (Petrzelka et al. 2013).

Since 2000 there has been an international upsurge in foreign investment in land for agricultural purposes. Australia is no exception (Moir 2011). Although foreign investment has been greatest in Africa, Asia, Eastern Europe and South America, where land and labour are cheap (Anseeuw et al. 2012), foreign investors are attracted to Australia’s political stability (Cotula 2012). In addition, since the 1970s, urban-based contemporary indigenous corporate structures in Australia, New Zealand and North America have acquired land. In Australia, no Aboriginal entity owned rural land in 1967. By 2007, often urban-based Aboriginal incorporated structures owned 20 per cent of Australian territory (Alexandra & Stanley 2007). Still, the prevailing view is that resident family farm operations were and are the backbone of Australian primary production (Hooper et al. 2002). This view is not reflected in the historical and contemporary patterns of landownership in the Lachlan River catchment of NSW.

Lachlan River catchment, NSW

A detailed investigation of long-term trends in landownership focused on the Lachlan River catchment in south east Australia. The Lachlan catchment was selected because of its importance to Australian agriculture and its diversity of landowners. An historic centre for pastoralism, it remains the second most productive agricultural region in NSW. The catchment covers 85 000 km² of tablelands, slopes and plains to the west of the Great Dividing Range, its eastern boundary 230 km west of Sydney. The total population is about 106 000. Most
people live in towns such as Condobolin, Cowra, Forbes, Parkes, West Wyalong and Young (Lachlan CMA 2012). Rainfall averages 1100 mm in the east, and 200 mm in the west, with underground palaeochannels providing additional water. Irrigation infrastructure has been installed throughout the catchment, as the Lachlan experiences regular floods and droughts, the latter for extended periods.

From 1830, European adventurers and agents of elite colonialists made illegal land claims in the Lachlan River catchment, following British colonisation of Australia in 1788. The open woodland and native grasses created by Wiradjuri fire-stick farming proved ideal for pastoralism. Over time, increasing numbers of European pastoralists and, from the 1860s, croppers, dispossessed the Wiradjuri, degraded the environment and became outback legends (Barr & Cary 1992; Findlay 2007).

Research approach

A comparison of the regional extent of absentee landownership in 1849 and 2009 was based on a list of occupiers in the Lachlan Squatting District of 1849 and a 2009 database of occupiers within the boundaries of the Lachlan Livestock Health and Pest Authority (LHPA) (Table 1). These two regions had a 60 per cent area of overlap (Figure 1).

An investigation of regional variations in absentee landownership within the catchment relied on two 2009 local government landowner databases: Bland Shire in the drier west and Cowra Shire in the wetter east, close to Sydney and Canberra (Figure 1). These shires were selected for their contrasting climate, location, property sizes and on-property enterprises. In Bland Shire, the mean area owned was 995 ha, with dryland sheep, cattle and crop being typical enterprises. In Cowra Shire, the mean area owned was 152 ha, with enterprises including crop, horticulture, livestock, poultry and viticulture. Other properties were owned solely for lifestyle purposes.

An investigation of trends in absentee landownership between 1830 and 2011 was undertaken at a district scale to make the task of data collection more manageable. Bland District fell mostly within Bland Shire and covered 36 per cent of rural land in the shire. Cowra District fell wholly within Cowra Shire and covered 24 per cent of rural land in the shire. In both districts, six points in time were used to assess the extent of absentee landownership. The selected dates were 1849, 1885–1900, 1920–35, 1970, 1990, and 2009. The availability of parish maps determined the two 15-year intervals, otherwise date selection was based on known factors that contributed to changes in landownership. The starting point, 1849, was selected because in 1847 a system of 14-year leases over defined boundaries was established in the Lachlan Squatting District (Weaver 1996). The period 1885–1900 was selected because a series of land laws, beginning in 1861 and continuing until after the Second World War, favoured resident landownership (Gammage 1990), and 1920–35 was selected because many landowners became indebted and sold their land, especially during the Great Depression. The year 1970 was selected as it was before international financial deregulation, rising interest rates and declining terms of trade for farmers. The year 1990 was selected because high interest rates and declining terms of trade continued, as did farmer support schemes, and 2009 was selected because it followed 20 years of agricultural deregulation, 11 years...
of drought and the 2008 Global Financial Crisis. A map of each district for each point or interval in time was constructed from up to 45 parish or shire maps, scaled and amalgamated using ArcGIS software. Each district map identified property boundaries and landowner names, except for the 2009 district maps, which only showed property boundaries.

The residency status of occupiers of rural property in 1849 in the Lachlan Squatting District and at six points in time for Bland and Cowra Districts was identified in different ways, as outlined in Table 1. The main method was by interviewing eight local historians and 18 long-term landowners, as people’s memories of simple socio-demographic data from 50 years ago demonstrate considerable accuracy when compared to historical records (Berney 1997). For each landowner (or property) named on a map, the 26 informants were asked: ‘Do you know if the owner was resident or absentee?’ All 26 informants had remarkable memories of their district. Eighteen of these informants were alive in 1920–35. For the period 1885–1900, many referred to family stories. For the Cowra District map

<table>
<thead>
<tr>
<th>Source of landowner names</th>
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<td><strong>Lachlan Squatting District, 1849</strong></td>
<td>1. Interviews with three local historians</td>
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<td>Campbell (1968)</td>
<td>2. Beckham (1848–1849)</td>
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<td>Lachlan LHPA, 2009</td>
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<td>Lachlan LHPA database</td>
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<td>Bland Shire, 2009</td>
<td>1. Analysis of supplied database comparing landowner and property postcode/s</td>
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<tr>
<td>Bland District and Cowra District, 1830–2011</td>
<td>1. Interviews with eight local historians and 18 long-term resident landowners</td>
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<tr>
<td>135 parish and shire maps used to form each district at six time intervals, 1849–2009, identifying 2381 landowners (1849–1990) and AO properties for 2009</td>
<td>2. Cowra Shire Council database, for 2009 Cowra District, accessed by a council representative</td>
</tr>
<tr>
<td>Histories of nine large properties, 1830s–2011</td>
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<td></td>
<td>4. Unpublished material found in Cowra, Bland and Condobolin local history units, museums and libraries</td>
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<td></td>
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of 2009, the main data source was a Shire representative with access to the landowner database. The other avenue for identifying a landowner’s residency status, also serving to identify trends in types of AOs, was the compilation of nine property histories using data sources listed in Table 1. In 1849, four properties in each district covered a minimum of 68 per cent of the district. The history of a ninth property outside the two districts but inside the Lachlan catchment was studied because of its importance to Wiradjuri. Additional information about trends in landownership came from interviews with 35 AOs, 17 farm managers and 24 others (including lessees, contractors, share-farmers, farm management companies, agribusiness consultants and real estate agents). Cross-correlation of multiple data sources enabled confidence in the reliability of the data.

To assess long-term trends in the two districts, properties on each map were identified as AO or RO. State-owned land (1849–2009), and land owned by pastoral and financial firms (1885–1935) were distinguished from individual AOs. Excel spreadsheets were used to categorise 2381 landowners named on each map (1849–1990).

To identify the residency status of landowners in the 2009 Lachlan LHPA and shire databases, another method was employed. For each database, a property address or postcode and the landowner’s postal address or postcode were compared. If these were the same and the occupier owned one property, the occupier was classified RO. If the occupier owned additional non-adjoining property then the occupier was classified Res/AO (i.e. resident on one property). Those with unknown residency status were occupiers with a post box address inside the region but whose residency status could not be clarified by other data sources.

To assess the extent of absentee and resident landownership in the region, shires and districts, only properties 10 ha or more in size were considered, as this threshold is commonly used to distinguish between Australian rural and rural-residential properties (Mendham & Curtis 2010). For each bounded area and point in time, statistics were calculated for the proportion of all landowners that were AOs; the proportion of all landowners that were Res/AOs; and the proportion of all land that was absentee-owned. Further investigation of the three 2009 databases was conducted by distinguishing between local and non-local AOs (i.e. inside or outside the database boundary); total area owned (i.e. 10 to 40, 40+ to 1200, and 1200+ ha); and for the two shires, the extent of local and non-local companies and the area they absentee-owned.

Trends in landownership in the Lachlan River catchment

Comparing landownership patterns in 2009 and 1849

Absentee landownership was as extensive in 2009 as it was in 1849 at the regional and shire scales. At the regional scale, in 2009, at least 50 per cent of all occupiers (N = 6274) were AO on all land, compared to 49 per cent (N = 160) in 1849. About 68 per cent of all land was absentee-occupied in 2009, compared to 71 per cent in 1849. Shire statistics support this finding. For instance, in 2009, 63 per cent of all landowners in Cowra Shire were AOs, and absentee-owned land covered 69 per cent of all rural land.

Despite the equivalence in extent of absentee landownership in 1849 and 2009, important differences in patterns of landownership existed. Firstly, land
concentration among AOs was higher in 1849 than in 2009, as reflected in the regional mean area absentee-occupied in 1849 (17,465 ha) being 29 times larger than the regional mean area absentee-occupied in 2009 (598 ha). Secondly, only 6 per cent of occupiers were Res/AOs in 1849, compared to 17 per cent in 2009. Thirdly, in 1849, most AOs lived outside the catchment (e.g. in Sydney, a regional town, interstate or Britain), whereas in 2009 AOs were at least as likely to live locally. For example, in Cowra Shire, local AOs were more numerous (36 per cent of all landowners) and owned more land (42 per cent of all land) than non-local AOs or ROs. Fourthly, in 1849, all lessees were individuals except for 14 partnerships. By 2009, overseas and in-country corporations had a presence in both shires, these entities absentee-owning 10–12 per cent of all land. Other differences are described under the heading ‘Trends in landownership since 1970’.

Phases of landownership (1830–2009)

There were three phases of landownership. In the early colonial period of Phase 1 (1830s–60s), AOs outnumbered ROs and owned more land in both districts. In 1849, 56 and 67 per cent of all lessees (N = 9 for each district) were AOs, and absentee-owned land covered about 80 per cent of each district (Figures 2 and 3). In the second phase (1860s–1970), resident owners increased in number but AOs continued to own most land until after 1935. Thus, by 1885–1900, ROs comprised 61–62 per cent of all landowners yet absentee-owned land covered 66 per cent of Bland District (Figure 2) and 53 per cent of Cowra District (Figure 3). In 1920–35, AOs continued to own most land (Figures 2 and 3). The area absentee-owned actually increased in Cowra District by 14.5 per cent (Figure 3), with ROs declining to 53 per cent of all landowners (N = 262). In contrast, in Bland District, the proportion of ROs increased to 71 per cent of all landowners (N = 392). But by 1970, in both districts, ROs not only outnumbered AOs but owned more land. This was unprecedented. Resident-owned land comprised 70 per cent of Bland District (Figure 2) and 84 per cent of Cowra District (Figure 3). In Phase 3 (1970–2009), this trend towards resident landownership reversed. Between 1970 and 2009, absentee-owned land increased from 30 to 39 per cent of all land in Bland District and from 15 to 58 per cent of all land in Cowra District. The most

Figure 2. Bland District: percentage of absentee- and resident-owned land, 1849–2009.
dramatic increase occurred between 1990 and 2009, when absentee-owned land increased from 28 to 39 per cent of Bland District and from 22 to 58 per cent of Cowra District (Figures 2 and 3).

**Trends in types of absentee landowners**

No corporation leased land in the Lachlan catchment in 1849. By 1885–1900, two pastoral companies and 15 financial firms (eight banks, four joint stock companies and three mutual societies) held land title to 52 per cent of all land covered by saleable pastoral leases (Hanson 1889). At the district level, between 1885–1900 and 1920–35, financial firms increased the area they owned from 8 to 21 per cent of Bland District, and from 3 to 26 per cent of Cowra District. Of the seventeen companies, six were managed from Britain and eight relied on British investors (Merrett 1997; Ville & Merrett 2000). Only the mutual societies were 100 per cent Australian-owned. Two of these mutual societies survive, one being the Australian Mutual Provident Society (AMP), established in 1848. Between 1983 and 2003, AMP was the sole owner of Stanbroke Pastoral Company, one of the largest landowners (Cahill 2007) and beef producers in the world (AMP pers. comm. October 2011). In 1970, British pastoral companies such as the Scottish Australian Company continued to have a substantial presence in Bland District, contributing to AOs being 24 per cent of all landowners (an increase from 16.5 per cent in 1920–35) and absentee-owned land covering 30 per cent of the district. In contrast, in Cowra District in 1970, AOs comprised 16 per cent of all landowners (N = 216) and absentee-owned land was only 15 per cent of the district (compared to 30 per cent of Bland District). In 2009, regional variations in corporate ownership continued. In Cowra Shire, no non-local company owned more than 1200 ha, whereas in Bland Shire, 2 per cent of all landowners were non-local companies that owned 7 per cent of all land, each in excess of 1200 ha. Half were foreign or relied on foreign investors. This 1 per cent of all landowners owned 4 per cent of all land, with the largest mean area (4588 ha) of any landowner category. All had purchased land in Bland Shire since 2002.

Local Res/AOs did not contribute to the increase in absentee landownership since 1970. In Cowra District, local Res/AOs reached a peak of 23 per cent of all landowners in 1920–35. In Bland District, local Res/AOs reached a peak of 15.4 per cent of all landowners in 1970. Nor was state-owned land a major contributor.
to increased absentee landownership. Between 1970 and 2009, state-owned land was 2.5 and 2.4 per cent of Bland District, although it increased from 0.3 to 2 per cent of Cowra District.

AOs varied in the length of time they owned a property. Some owned a property for less than 10 years; others owned property for generations. Between 1830 and 2011, 27 per cent of all AOs (N = 172) on nine properties and their subdivisions absentee-owned the same property for 20 years or more. British and Australian family and non-family corporations were among these long-term owners. Ten per cent of all AOs (N = 172) changed their residency status during ownership, whether becoming resident, moving off farm, or changing their residency status more than once.

Trends in landownership since 1970

Among three unprecedented trends in landownership since 1970 is the increase in small property ownership by non-local AOs. The trend is largely restricted to the eastern part of the Lachlan catchment, including Cowra Shire, which has a long history of small subdivisions. While no individual owned 10–40 ha in 1849, by 1885–1900 and 1920–35, 16 and 21 per cent of all landowners in Cowra District owned a 10–40 ha parcel of land. But only 2–3 per cent of all landowners were AOs of 10–40 ha, and these statistics include local AOs. By comparison, in 2009, 33 per cent of all landowners (N = 1553) owned 10–40 ha in Cowra Shire, with 20 per cent of all landowners being AOs of 10–40 ha, and 13 per cent of all landowners being non-local AOs of 10–40 ha. Even so, the area owned by these non-local AOs covered only 2 per cent of all land. Absentee small property ownership was less extensive in Bland Shire. Only 4 per cent of all landowners owned 10–40 ha and non-local AOs of 10–40 ha comprised only 1 per cent of landowners. They owned 0.02 per cent of all land.

Historically, small properties were typically used only for subsistent agriculture, with the family’s income derived from off-farm work such as shearing, share-farming, work as a farm manager or on a government-funded rail, road or dam project. Historically, some AOs of small properties were women related to other local landowners. Since 1970, most 10–40 ha properties owned by non-local AOs are used as hobby farms and lifestyle properties.

A second trend since 1970 is the change in the country of origin of foreign investors. Until the 1980s, known foreign landowners in the Lachlan catchment were British (e.g. Australian Estates, Australian Mercantile Land and Finance Company (AMLF), BP pension fund, British Tobacco and Scottish Australian Company). By 1985, these companies had sold their Lachlan properties. In 1988, Oakley Holdings, a Japanese subsidiary of Nippon Meat Packers, purchased property near Forbes, and by 2010, 45 per cent of all foreign investment in rural land in the Lachlan catchment (N = 20) was from Asia (e.g. Sumitomo, the Tiger Group); 35 per cent was from North America (e.g. Cargill, the Westchester Group and two US religious organisations, as well as Barrick Gold); 10 per cent was from the UK (Rio Tinto and MHPF); 5 per cent was from Continental Europe (Glencore International) and 5 per cent was from the Middle East (Hassad Australia). Seventy-five per cent of these entities, or their wholly-owned subsidiaries, had purchased their Lachlan property since 2002.
A third trend is modern Indigenous incorporated ownership. After British occupation, Wiradjuri retained connections to their land by acting as guides, camping on properties and working as farm labourers, stockmen, shearers, roustabouts, cooks and cleaners. Eventually most were forced onto missions. Since 1980, four Aboriginal entities have gained ownership of Lachlan properties used for commercial agriculture. In 2010, three of these properties, a total of 11 649 ha, were absentee-owned. One property remained in the hands of traditional owners, represented by a local town-based corporation. After years of managing the property with insufficient technical support and operating capital, even to pay wages, the organisation chose to earn income from leasing out the property. A second property was owned by a Commonwealth land fund, the property having not been divested to a local organisation as originally intended, despite the organisation managing the property from 1980 until 1997. Management was similarly limited by lack of managerial experience and operating capital. Since 1997 it has been leased out. A third property, divested to a regional land council in 1987, was transferred to a state land council in 1992. Between 1992 and 2004, the property was mismanaged until the AO employed a farm management company which hired an Aboriginal farm manager. With capital and technical support, he turned the property around. Nevertheless, in 2010, the property was leased out. Thus, the leases of two Aboriginal-owned properties do not benefit the local Aboriginal communities.

Discussion

As the past shapes the present and constrains the future (Kimberly & Bouchikhi 1995), historical studies offer particular insights. In the Lachlan River catchment AOs occupied most of the land for most of its European history and were instrumental in developing Australia’s pastoral industries. The Lachlan research provides statistical evidence for what scattered studies suggest about international trends in landownership since the nineteenth century. These trends reflect the first, second and third international corporate regimes (McMichael 2005; Huggins 2011). The first regime extended from the nineteenth century until the Second World War and corresponded to most land being absentee-owned in the Lachlan catchment. The second regime was short lived: from the Second World War until the 1970s, corresponding to the zenith of resident landownership in the Lachlan catchment. The third regime, beginning with international financial deregulation in the 1970s, corresponds to an international increase in absentee landownership, as manifest in the Lachlan catchment.

That absentee landownership was extensive for most of the time since European occupation of the catchment contradicts the widely held view that ROs have been the mainstay of Australian agriculture. The antecedents of contemporary AOs include family owners of multiple properties; local town-based farmers, non-farmers and businesses; city-based individuals; and in-country and foreign non-family corporations including banks, trusts, pension funds, and joint stock (i.e. investment) companies, some of which benefited from links with British textile manufacturers. The historical extent of corporate investment in the Lachlan contradicts the view that corporate investment in Australian land for agricultural purposes is a recent phenomenon (Tonts et al. 2003). The extent of financial firms investing in land and agriculture in the Lachlan, and throughout NSW (Wells
1989), the USA and elsewhere (Powelson 1988) in the nineteenth and twentieth
centuries likewise challenges the claim that the contemporary extent of interna-
tional investment by financial firms is unprecedented (Burch & Lawrence 2009). In
the Lachlan, landownership by financial firms in 2009 had yet to reach the levels of
1885–1935. The predecessors of contemporary corporations were the product of
the neoliberal colonial capitalism of the first international corporate regime. Despite
some discontinuities between the first and third regimes (e.g. land concentration),
also noted by Cotula (2012), the similarities between these regimes are profound
(Veblen 1997; McMichael 2005). These similarities suggest that the historical
implications of the first regime may have relevance for the third.

Historically, AOs contributed to the development of Australia’s pastoral
industries, aided by their access to off-farm capital and the importation of British
labour at a time when Australian colonies were experiencing chronic labour
shortages. Most AOs employed resident farm managers who oversaw a hierarchy
of resident, contract and share-farm labour. Labour forces numbered in the
hundreds on large properties and the farm manager was key to any operation. In
2009, many urban-based individuals and corporations likewise employed resident
farm managers.

In the nineteenth century, AOs were usually non-local, which meant a substantial
portion of any profits left the catchment. Yet capitalised, often vertically integrated
AOs with a geographic spread of properties were in a better position to withstand
droughts, economic downturns and declining commodity prices, such as prevailed
from the 1870s until the 1930s. They continued to employ resident and contract
labour, spend on infrastructure and new technologies at times when under-
capitalised ROs were forced to reduce expenditure or sell. Nevertheless, some
AOs stopped investing in their properties because of indebtedness or when the
government, intent on subdivision, became the only possible purchaser. Subdivi-
sions of large properties increased the numbers of both resident and absentee
owners and by 2009 AOs were at least as likely to live locally, thus remaining part of
the community. For all these reasons, absentee ownership does not necessarily
reduce the rural population or community cohesion.

While there are historical accounts of AOs conserving tree belts, all past
landowners cleared native vegetation and ploughed soils according to the
recommended practices of the day (Barr & Cary 1992). All contributed to
ecosystem degradation and soil loss (Findlay 2007). Nor did the state put aside
substantial land for forests and parks in the Lachlan catchment. In 2011, only 512
337 ha of government-owned forest and remnant native vegetation remained within
a catchment covering 85 000 km² (NSW Forests and Lachlan CMA, pers. comms
2011). Meanwhile, the international increase in absentee-owned hobby farms and
lifestyle properties has raised concerns over the management of natural resources
and the underuse of prime agricultural land (Bunker & Houston 2003; Mendham
& Curtis 2010). However, in 2009, non-locally-owned 10–40 ha properties in
Cowra Shire covered only 2 per cent of all rural land.

Internationally, the increase in foreign investment in rural land is coming under
intense scrutiny (Moir 2011; Anseeuw et al. 2012). Although foreign investment in
Bland Shire was less than the national estimate of 11.3 per cent of all agricultural
land, the national estimate includes entities with majority Australian ownership
(Moir 2011), unlike the Bland statistic of 4 per cent. In Bland Shire, most of these
multinationals, pension funds and investment companies were Asian and North
American. Most ran cropping and/or livestock enterprises. One was a mining multinational. All had purchased land since 2002 and by 2009 owned the largest mean area of all landowner categories. Public discourses revolve around the historical discontinuities: the change in the country of origin of investors, and some being mining companies and/or sovereign entities. Concern that these developments will negatively impact food, water and political security, as well as Australian farmers’ ability to purchase land and water, has led to discussions about developing a national foreign ownership register and refining what constitutes a sovereign entity (FIRB 2013). But such initiatives do not address the potential impacts on land values and landownership; water quality and supply; and environmental, labour, tenancy and tax issues. These are crucial considerations, especially as the recent corporatisation of agriculture may be part of a temporary investment cycle, as occurred between the 1960s and 1980s in the Lachlan catchment, and elsewhere in Australia and the USA (Raup 1973; Cuddy 1976). A cyclical pattern of corporate investment partly explains why non-family corporate ownership of rural land in the USA has remained more or less constant over recent decades (US 2007).

Conclusion

The Lachlan findings are consistent with international trends: absentee landownership was extensive in the nineteenth and early twentieth centuries, but resident ownership increased from the Second World War until the 1970s, when residents owned most land in the Lachlan catchment. However, since 1970, and particularly since 1990, absentee landownership has increased until in 2009 it reached its high extent of 1849. The increase involved different types of AOs, most having historical antecedents. New trends included a change in the country of origin of foreign investors from majority British to majority Asian and North American; an increase in absentee small property ownership, although these properties cover a negligible area; and Aboriginal incorporated landownership.

An accurate understanding of trends and contexts can aid policy development and implementation. Nowhere is this more accentuated than in the impacts of land laws from 1861 favouring subdivision and residency as a result of different sectors of colonial society wanting access to land. The Lachlan study shows that political interventions increased the number of ROs, despite most land remaining absentee-owned. But subdivisions from the 1860s until the 1940s were often too small to support a family, leading to property sales to often capitalised AOs in the 1920s–1930s and since the 1980s. In some countries, the consequences of a few monopolising land, capital and power were less benign (Powelson 1988).

Australian pastoral industries would not have developed so rapidly without British investment, yet policies must ensure the host country and its people benefit from foreign investment. Supporting pluralism in ownership and management may be a more effective way to address regional, national and global food, water, biodiversity and social equity issues. Pluralism includes traditional owners. In south east Australia, technical support and operating capital are required if local Aboriginal incorporated landowners are to run successful ventures in agriculture. These and other land, labour, tax, agriculture and environmental policies need developing to balance the neoliberal capitalist discourse of the third international regime.
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