

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

2016 - 2017

**Division/Agency:** Foreign Investment Division  
**Question No:** 255  
**Topic:** FIRB - Applications  
**Reference:** Hansard page 44 (01 March 2017)  
**Senator:** Leyonhjelm, David

**Question:**

Senator LEYONHJELM: Do you have any idea of the percentage of all applications that are ultimately not granted? That would include those withdrawn and rejected.

Mr Donnelly: Not off the top of my head. I would say that certainly the number withdrawn would be larger than three by many orders of magnitude, but I could not quantify it off the top of my head, but I am happy to take it on notice.

[...]

Senator LEYONHJELM: [...] Could you also take on notice how many applications do not end up being approved?

Mr Donnelly: That might be a little bit misleading because it is not uncommon for a bidder to, for example, submit an application early in a commercial process and then be knocked out of the commercial process and withdraw from that reason rather than because they might have—

Senator LEYONHJELM: I understand. All right—whatever data you have.

Mr Donnelly: Certainly.

**Answer:**

The number of investment proposals that were considered and finalised (approved, rejected, withdrawn or exempt) during 2014-15 was 38,932. The following table provides a breakdown of the number of applications considered over the past three years, irrespective of the date they were submitted, according to the outcome of the proposal.

No proposals were **rejected** in 2014-15, compared with three rejections in 2013-14 which represents less than 0.1 per cent of all proposals considered that year.

In 2014-15, 799 proposals (two per cent of the total number of proposals considered), were **withdrawn** by the applicants compared with 719 (almost three per cent) in 2013-14.

Of those proposals withdrawn in 2014-15, around 88 per cent involved real estate proposals. Many of the real estate related withdrawals resulted from applicants submitting concurrent or a series of applications (often for properties that were to be auctioned and for which they intended to bid), and once one property had been purchased, subsequently withdrawing the remaining applications..

During 2014-15, 180 proposals (less than one per cent of the total number of proposals considered), were determined to be **exempt** compared with the 181 (less than 0.5 per cent) in 2013-14. Some applications received were determined to be outside the scope of the framework. The existence of these particular applications reflected advice in the Policy that foreign investors submit proposals if they have any doubt as to whether the proposals are notifiable.

**Applications considered: 2012-13 to 2014-15 (number of proposals)**

	2012-13	2013-14	2014-15
Outcome	No.	No.	No.
Total approved	12,731	24,102	37,953
Rejected	-	3	-
<b>Total decided</b>	<b>12,731</b>	<b>24,105</b>	<b>37,953</b>
Withdrawn	446	719	799
Exempt	145	181	180
<b>Total considered</b>	<b>13,322</b>	<b>25,005</b>	<b>38,932</b>

Note: Figures include corporate reorganisations (85 in 2014-15).