**Foreign ownership**

**Overseas ownership of land**

In the 1990s, foreign ownership of New Zealand land became an issue of public discussion. Overseas ownership was controlled by the Overseas Investment Act 1973, under which overseas companies and non-residents who were not New Zealand citizens had to be approved by the Overseas Investment Commission to buy land over a specified area or value (originally $10 million, increased in 1999 to $50 million), or which was sensitive or had heritage value. The commission assessed applications on their economic merit – such as the potential for new investment, technology or export markets – and on the background of the buyer. Land had to have been offered on the open market first. A new act in 2005 raised the threshold to $100 million, expanded the definition of sensitive land to include all non-urban land, and placed its administration with Land Information New Zealand.

**A doubly special place**

The two names of Te Kurī-a-Pāoa or Young Nick's Head tell the story of two voyaging peoples. Pāoa, the captain of the *Horouta* canoe, named the headland after his dog, while Captain Cook named it after Nicholas Young, the *Endeavour*’s surgeon's boy, who first sighted New Zealand in 1769. When the land was to be sold to a New York financier in 2002, there was a howl of protest and parts were gifted into public ownership.

**South Island high country**

Controversy about foreign ownership was focused on the South Island high country and coastal areas. There were debates over the merit of foreign ownership itself, and the prospect of restricted public access. Growing overseas interest in New Zealand’s hunting and fishing made it very profitable to enclose land for luxury tourist developments.

Outdoor recreation lobby groups became concerned that New Zealanders would be denied access to land in favour of high-paying tourists. The government considered proposals for a public right to cross farmland in certain circumstances, but these were intensely opposed by farming organisations. Farmers maintained that permission for reasonable access was usually willingly given, but landowners must continue to have discretion.

**Tenure review**

A process to review land tenure in the South Island high country was set up under the Crown Pastoral Land Act 1998. It allowed pastoral runholders to surrender more fragile leasehold land to the Crown for conservation and recreation, in return for financial compensation and the freehold of other areas in their leasehold. It aimed to protect land of ‘significant inherent value’, while land more suited to farming went to the leaseholder as freehold land. By April 2007 of the 304 pastoral leases, 45 had been through the tenure review process, 148 were in process and 111 leaseholders had opted not to take part.While runholders maintained that it was fair for them to receive compensation because they were surrendering large areas of grazing land, critics argued that the payouts were too much and were concerned that the freehold land may be put to use in a way that would compromise the treasured landscape.