

business

OPERATIONS

The ILC's businesses are operated as commercial enterprises in accordance with sound business principles. Across the eight businesses that have cattle, the herd grew from 40,291 head to 43,686 head and the value of the herd increased by \$2.96 million.

The businesses generated a combined cash operating surplus of \$1.3million. This result was \$1.8 million better than budget and reflects increased cattle sales made in response to a very poor wet season in the Kimberley in 2004–2005, which led to drought conditions in early 2005–2006.

Of the ILC's ten businesses, six are mature: Roebuck Plains, Myroodah, Cardabia, Murrayfield, Mimosa and Roelands Orchard. Three are in an early development phase; these are Crocodile/Welcome, Home Valley and East Elsey. The tenth business, Boundary Bend Orchard, in Victoria, was added to the ILC's business operations in April 2006 and is undergoing redevelopment.

Myroodah is being developed, with the herd continuing to grow and paddocks being built progressively as needed.

The developing businesses currently have low income earning capacity, but generate significant employment and training opportunities for Indigenous people. The businesses directly employed sixty-seven Indigenous people during 2005–2006. They also provided employment for a further 127 Indigenous people through a diverse range of mechanisms, including Indigenous prisoner work camps, employees of contractors, and trainees. The employment outcomes are shown in the following table.

Table 6: Employment outcomes from ILC-run businesses

	Non-Indigenous Staff	Indigenous Staff	Other Indigenous Participants	Total Indigenous Participants	Total Staff and Participants
2005–2006	115	67	127	194	309

The ILC is aiming to use its business operations to further increase employment and provide on-the-job training opportunities for Indigenous people in pastoralism, horticulture, tourism and natural resource management.

Roebuck Plains Station

VIA BROOME
WA



PROPERTY DESCRIPTION

- **Program stream:** Economic.
- **Primary purpose:** Pastoral business/cattle production.
- **Size:** 294,000 hectares.
- **Livestock:** Cattle herd at 30 June 2006, 18,708 head.
- **Significant infrastructure:** The property is subdivided into twenty-one paddocks with thirty-seven bores, twelve trap yards and two main cattle yards.

BENEFITS SOUGHT/ACHIEVED

Employment:

- Thirty-five employed during the year, of which eight were Indigenous.
- The eight Indigenous men were employed as stockmen.

Training:

- One staff member, horse shoeing.
- Six staff members, chainsaw operation.
- Four staff members, horsemanship and cattle working.
- Four staff members, Certificates II and III Agricultural Training.

Social and Cultural:

- Traditional Owners enjoy frequent visits to the property to maintain their cultural connections to country.

KEY ACTIVITIES 2005–2006

- In response to poor conditions during the dry season of 2005, the breeding herd was reduced by 1,700 head to 9,019.
- 2,458 cows and 1,753 surplus unjoined heifers were transferred to other ILC-owned businesses at Myroodah, Home Valley, East Elsey, Crocodile/Welcome and Mimosa Stations.

FINANCIAL POSITION

The pastoral business recorded a cash operating surplus of \$2.4 million for the year ended 30 June 2006 that was \$1.8 million better than budget. This was due to increased income from the sale of 2,590 more cattle than had been budgeted. This was a risk-management decision taken in response to poor seasonal conditions during the dry season of 2005.

During a visit to Australia, Malaysian Minister for Agriculture and Agro-Based Industry the Hon. Tan Sri Muhyiddin Yassin (right) toured North West properties where he took time to talk to Roebuck Plains manager Doug Miller about cattle production. The visit was organised by the WA Department of Agriculture.



Myroodah Station

VIA DERBY
WA



Shedding at Myroodah Station.

PROPERTY DESCRIPTION

- **Program stream:** Economic.
- **Primary purpose:** Pastoral business/cattle production.
- **Size:** 405,800 hectare pastoral lease.
- **Livestock:** Cattle herd at 30 June 2006, 14,961 head.

BENEFITS SOUGHT/ACHIEVED

Employment:

- Thirty-six employed during the year, of which twelve were Indigenous.
- The twelve Indigenous men were employed as stockmen.

Training:

- Staff member, Certificate III Agricultural Training.
- Two staff members, animal nutrition.

Social and Cultural:

- Traditional Owners enjoy frequent visits to the property to maintain their cultural connections to country.

KEY ACTIVITIES 2005–2006

- Total herd grew by 1,900 head, while its quality continued to improve through continuous culling of shorthorn types, minimising the sale of surplus Brahman females and purchasing 429 surplus Brahman breeders from Roebuck Plains.
- Continued building new paddocks, erecting spear-trap yards and watering squares to accommodate the growing herd numbers.

FINANCIAL POSITION

The pastoral business recorded a cash operating deficit of \$227,217 for the year ended 30 June 2006 compared to a budgeted operating deficit of \$170,600. Sales of cattle were \$139,532 less than budget due to a lack of a suitable export boat for culled shorthorn cows and heifers in June. The income-earning capacity of the business has been limited in the short term by a strategic decision to retain saleable female cattle to enable the breeding herd to be built up.

Cardabia Pastoral Company

CARNARVON
WA



PROPERTY DESCRIPTION

- **Program stream:** Economic.
- **Primary purpose:** Pastoral business/cattle & sheep production.
- **Size:** 199,808 hectare pastoral lease.
- **Livestock:** Cattle herd at 30 June 2006, 2,452 head; sheep flock, 9,700 head.
- **Significant infrastructure:** The property is well developed, but much of the infrastructure is old and badly salt-affected.

BENEFITS SOUGHT/ACHIEVED

Employment:

- Eight people employed during the year, all of whom are Indigenous, including the full-time property manager.
- Others employed casually as stockmen and a bookkeeper.

Cultural and Social benefits:

- The members of the Baiyungu Aboriginal Corporation (title-holding body for Cardabia Station) enjoy frequent visits to Cardabia Station.

KEY ACTIVITIES 2005–2006

- New cattle yards constructed.
- Increased the cattle herd from 1,695 head to 2,344 head through retaining females.

FINANCIAL POSITION

The pastoral business recorded a cash operating surplus of \$100,452 for the year ended 30 June 2006. This result was due to cattle sale prices being higher than expected and exceeding budget.



Drenching sheep at Cardabia.

Murrayfield Station

BRUNY ISLAND
TAS



PROPERTY DESCRIPTION

- **Program stream:** Economic.
- **Primary purpose:** Pastoral business/sheep production.
- **Size:** 4,097 hectares of which 2,200 hectares is cleared and sown to pastures.
- **Livestock:** Sheep flock at 30 June 2006: 11,599 head.
- **Significant infrastructure:** a well-developed property with all necessary infrastructure to run a large flock.

BENEFITS SOUGHT/ACHIEVED

Employment:

- Ten people employed during the year, of whom one was Indigenous
- The person was employed casually in a variety of roles, including building repair and renovation and some environmental works.

Training:

- One staff member, electrical tag and test course.
- One staff member, merino production workshop.

Cultural and Social benefits:

- Many Indigenous people, including sixteen school and other groups and fifty-three families, visited Murrayfield during the year and stayed in the shearers' accommodation located on the property.
- Recommendations on land-use activities, made in a cultural heritage survey, began to be implemented during the year.

KEY ACTIVITIES 2005–06

- A pasture renovation program continued.
- A native vegetation management plan continued.

FINANCIAL POSITION

The pastoral business recorded a cash operating surplus of \$65,359 for the year ended 30 June 2006. This result was in line with budget and was assisted by the total wool clip exceeding expectations.



Looking out over pastures at Murrayfield Station.

Mimosa Station

VIA GAYNDAH
QLD



Shoeing horses on Mimosa Station.

PROPERTY DESCRIPTION

- Program stream: Economic.
- Primary purpose: Pastoral business/cattle production.
- Size: 3,806 hectare pastoral lease.
- Livestock: Cattle herd at 30 June 2006, 909 head.

BENEFITS SOUGHT/ACHIEVED

Employment:

- Eight people employed during the year, of whom four were Indigenous.
- Property manager is Indigenous.

Training:

- One staff member, cattle nutrition course.
- Two Indigenous trainees engaged in ongoing employment.

Social and Cultural benefits:

- The Manager reports the health of Indigenous workers continues to improve because of their access to reliable employment on this property.
- Traditional Owners enjoy frequent visits to the property to maintain their cultural connections to country.

KEY ACTIVITIES 2005–2006

- A very poor summer rainfall season has required that a drought management plan be implemented during early 2006.
- The quality of the breeding herd continues to be improved with 157 surplus breeders received from Roebuck Plains Station late in 2005.

FINANCIAL POSITION

The pastoral business recorded a cash operating surplus of \$151,584 for the year ended 30 June 2006. Income from livestock sales was above budget following the sale of an extra 200 head as a risk management decision taken due to dry seasonal conditions.

Roelands Village Orchard

VIA BUNBURY
WA



*Orchard work at
Roelands Village.*

PROPERTY DESCRIPTION

- **Program stream:** Economic.
- **Primary purpose:** Horticultural – citrus production.
- **Size:** 225 hectares, with thirteen hectare citrus orchard.
- **Crops:** 3,103 trees of mainly grapefruit, mandarins and oranges.
- **Livestock:** Small cattle herd of 170 head.
- **Significant infrastructure:** The orchard is well laid out with irrigation supplied from a large dam on the property. Fruit is packed on the property in a purpose-built packing shed.

BENEFITS SOUGHT/ACHIEVED

Employment:

- Fifteen people employed during the year, of whom four are Indigenous.
- One Indigenous person employed full time as a fruit picker and farm hand; others as casual pickers.

Training:

- Two staff members, citrus production conference.

Social and Cultural:

- Former residents of Roelands Mission and their families enjoy frequent visits to the former mission site.

KEY ACTIVITIES 2005–06

- Very high rainfall during the winter of 2005 caused significant damage to the irrigation supply dam requiring extensive repair.

FINANCIAL POSITION

The orchard business recorded a cash operating deficit of \$44,251 for the year ended 30 June 2006. This was a better result than the budgeted operating deficit of \$77,904 due largely to fruit sales being \$28,476 better than budgeted. Plans to investigate increased water supplies, improve irrigation efficiency, plant more trees and increase yields and fruit sales are expected to improve future business profitability.

Crocodile / Welcome Stations

VIA LAURA
QLD



PROPERTY DESCRIPTION

- Program stream: Economic.
- Primary purpose: Pastoral business/cattle production.
- Size: 124,800 hectares (combined pastoral leases).
- Livestock: Cattle herd at 30 June 2006, 2,847 head.

BENEFITS SOUGHT/ACHIEVED

Employment:

- Thirty-nine people employed during the year, of whom twenty-four were Indigenous.
- A further thirty-nine Indigenous staff obtained work in contracting, particularly in fence construction and fence line clearing.

Training:

- Fifteen trainees engaged through the Structured Training and Employment Program learning pastoral industry and horticulture skills.

Cultural and Social benefits:

- Health workers in Laura have reported significant improvements in the health of those Indigenous trainees engaged at Crocodile/Welcome.
- Traditional Owners enjoy frequent visits to the property to maintain their cultural connections to country.

KEY ACTIVITIES 2005–06

- A further 1,800 unjoined Brahman heifers were purchased from Roebuck Plains Station.
- A significant capital development program continues to be implemented with nearly 250 kilometres of new fencing erected and eight new dams built.

FINANCIAL POSITION

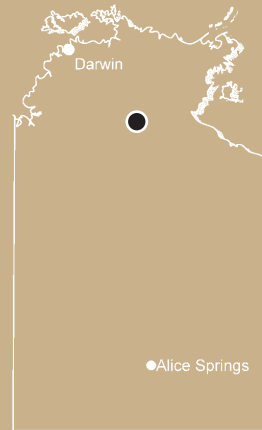
The pastoral business recorded a cash operating deficit of \$561,193 for the year ended 30 June 2006. This is a new business, in its establishment phase. It has been stocked with heifers transferred from Roebuck Plains Station, and consequently there were no calves branded in the financial year and no cattle sales. As the business develops in coming years, income is expected to improve.



STEP trainee Lexie George getting ready to muster cattle.

East Elsey

VIA MATARANKA
NT



River crossing at Elsey Station.

PROPERTY DESCRIPTION

- **Program stream:** Economic.
- **Primary purpose:** Pastoral business (cattle production).

BENEFITS SOUGHT/ACHIEVED

Employment

- Total staff of one person.
- Local Indigenous people have been engaged by the ILC to manage this stock at commercial rates.
- Traditional Owners enjoy frequent visits to the property to maintain their cultural connections to country.

KEY ACTIVITIES 2005–2006

- Business commenced during the year.
- Established a pastoral land-use agreement with Banibi Pty Ltd and the Mangarrayi Aboriginal Land Trust for a 1,000 km² portion of Elsey Station.
- 1,753 mixed aged cows and twenty-two bulls purchased from Roebuck Plains Station.
- 957 Brahman heifers purchased from Wave Hill Station.
- Construction by Banibi Pty Ltd of 163 kilometres of fencing and three new stock water facilities commenced during the year.

FINANCIAL POSITION

The pastoral business recorded a cash operating deficit of \$303,668 for the year ended 30 June 2006. This is a new business in its establishment phase and it is being developed from cows transferred from Roebuck Plains Station and heifers purchased from other vendors. Consequently, there were few calves branded in the financial year and limited cattle sales. As the business develops in coming years, income is expected to improve.

Home Valley

GIBB RIVER ROAD
WA



PROPERTY DESCRIPTION

- **Program stream:** Economic/Tourism.
- **Primary purpose:** Tourism.
- **Size:** 248,934 hectare pastoral lease.
- **Livestock:** Small cattle herd of 119 head Brahman heifers and sixty-three bulls transferred from Roebuck Plains Station.
- **Infrastructure:** Little cattle infrastructure. The tourist facilities require extensive refurbishment.

BENEFITS SOUGHT/ACHIEVED

Employment:

- Total staff of eighteen.
- Eighteen CDEP workers have worked on the property during the year.

Training:

- One staff member, first aid.
- Twenty-nine Indigenous trainees engaged, including seven long-term tourism industry trainees.

Cultural and Social benefits:

- Ongoing project with WA Justice Department where up to fifteen Indigenous prisoners spend one week per month erecting fence lines on the property. Forty Indigenous prisoners have benefited from this program.
- Traditional Owners enjoy frequent visits to the property to maintain their cultural connections to country.

KEY ACTIVITIES 2005–2006

- Tourist operation undergoing significant development with visitor numbers now increasing.
- Ongoing tourism infrastructure upgrades being planned and implemented.
- New commercial kitchen completed.
- Upgraded and expanded tourist accommodation by the erection of four permanent cabins.

FINANCIAL POSITION

The tourism business recorded a cash operating deficit of \$302,769 for the year ended 30 June 2006. This is a new business being developed from a low occupancy base. The erection of new tourist cabins and improved catering facilities resulted in increased visitor numbers. This trend is expected to continue and improve income for the business.



Indigenous workers with a prize barramundi caught during a fishing safari on Home Valley Station.