



**Australian Government**  
**Indigenous Land Corporation**

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10 August 2010

Mr Philip Weickhardt  
Presiding Commissioner  
Inquiry into Rural Research and Development Corporations  
Productivity Commission  
Locked Bag 2  
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Dear Commissioner Weickhardt

***Rural Research and Development Corporations***

The Indigenous Land Corporation (ILC) wishes to make a submission to your Inquiry in support of the role of the Australian Live Export Corporation (LiveCorp) as a specific-niche Rural Research and Development Corporation (RRDC) that supports the live export industry in Australia, particularly in relation to the live export of cattle from northern Australia.

The ILC is a statutory authority of the Australian Government, established to assist Indigenous Australians to acquire and manage land to achieve economic, environmental, social and cultural benefits.

The ILC has been working on a number of projects to ensure that the Indigenous pastoral sector across northern Australia is strengthened to provide sustainable businesses that provide positive socio-economic and employment opportunities for Indigenous communities and people. Consequently, a strong export cattle industry operating out of northern Australia is vital to the ILC's plans.

The ILC notes that the recent Northern Australia Land and Water Taskforce Report in December 2009 focused strongly on the northern beef cattle industry, its development and potential, particularly as it related to Indigenous communities. In summary, the Task Force reported that the industry involves around 60% of the land area across northern Australia (90% if Indigenous pastoral land is included) and accounts for around 5% of jobs. The Task Force further reports that over the next two decades there will be positive opportunities to double production and lift output as much as four-fold in value in some areas. It specifically states:

*"The northern beef industry also provides potential for sustainable wealth creation for Indigenous communities through direct employment and business ventures. Improving the long-term economic and environmental sustainability of Indigenous-owned pastoral properties across northern Australia is of critical importance and an opportunity that Governments are encouraged to examine."*

*"A number of programs focused on further development of the Indigenous pastoral industry are being delivered in Queensland, Western Australia and the Northern Territory. The ILC is working closely with each of the northern jurisdictions, as well as other stakeholders, to develop significant improvements to Indigenous pastoral properties across the north."*

#### *Regional support for pastoral enterprises*

The ILC has worked closely with the Western Australian and Northern Territory Governments on joint programs that deliver significant improvements to Indigenous pastoral properties through infrastructure upgrades, herd improvements and capacity building. The Kimberley Indigenous Management Support Service and the Pilbara Indigenous Management Support Service are two regionally-based, multi-million dollar joint programs between the ILC and the Western Australian Department of Agriculture and Food. Twenty-seven Indigenous pastoral properties are involved with the programs, which have delivered significant improvements in infrastructure, breeding genetics, turn-off and employment.

The Indigenous Pastoral Program in the Northern Territory is another multi-million dollar joint program between the ILC, the Northern Territory Department of Regional Development, Primary Industry, Fisheries and Resources, the Northern and Central Land Councils, Northern Territory Cattlemen's Association and the Commonwealth Department of Education, Employment and Workplace Relations (DEEWR). This program has seen millions of hectares of pastoral land brought back into production, an increase of a minimum of 86,000 head of cattle to the Indigenous pastoral estate, significant upgrades in infrastructure and capacity development and increased employment.

In the Cape York Peninsula, Queensland, the ILC and Balkanu Cape York Development Corporation are working closely on the Cape York Indigenous Pastoral Strategy, which is aimed at revitalising the Indigenous pastoral estate and cattle herds in Cape York. The ILC is working closely with the pastoral industry to ensure that the sustainable live export of cattle resumes from the port of Weipa in Cape York.

Coordination between the ILC, primary industry departments and other government agencies is a highlight of these regionally-based programs and strategies.

### *ILC pastoral businesses*

The ILC operates ten pastoral businesses in northern Australia, running approximately 90,000 head of cattle, to train and employ Indigenous people (see Attachment 1). These businesses host up to 120 Indigenous trainees per year at residential training facilities. They give trainees on-the-job and accredited training and mentoring, and transition them into jobs at course completion. This model is being successfully implemented together with DEEWR, and Registered Training Organisations. The ILC believes that many elements of this "Training to Employment" model could be used successfully in partnerships between Indigenous organisations, government agencies and mainstream companies to build Indigenous capacity and jobs in this and other industries.

The ILC is also looking beyond traditional pastoralism for opportunities for Indigenous people. It has constructed live cattle export yards in Broome that will help to grow economic development in the Kimberley region and create Indigenous jobs in managing, feeding and transporting large numbers of export cattle. The state-of-the-industry cattle yards hold up to 8,000 head of cattle for quarantine before shipment through the port of Broome to Asian markets. The AQIS-registered yards add significant capacity to WA's \$200 million annual live cattle trade. The ILC is also working with the traditional owners of Gunbalanya Meat Supplies Pty Ltd in western Arnhem Land to expand the Gunbalanya meatworks and floodplain cattle business. The expanded commercial abattoir and pastoral business will train and employ 15 local Indigenous people.

The map at Attachment 1 illustrates the ILC's business activities and the regional land management programs delivering training, mentoring, extension services and employment to Indigenous-held properties in northern Australia.

As the Commission can see, the Northern Australia Taskforce Report and the ILC firmly believe that the northern Australia beef industry, as it relates to the sustainable economic development of Indigenous communities and people, has a significant role to play. As such, the ILC has developed an extremely good relationship with LiveCorp (the ILC's General Manager, David Galvin, is also a Director of LiveCorp) as it is essential to the continued export of cattle out of northern Australia, which underpins almost the entire turn-off of cattle from Indigenous pastoral properties located in northern Australia. Without the live export of cattle from northern Australia, the overwhelming majority of Indigenous pastoral properties would become uneconomic, particularly as there are no large-scale abattoirs based in northern Australia.

As stated above, in May 2009 the ILC opened an 8,000-head capacity live export depot, 30 km east of Broome, which was launched by the Hon Tony Burke, Minister for Agriculture. The export yards not only serve Indigenous pastoral properties in the Kimberley, and beyond, but also non-Indigenous pastoral properties. LiveCorp was very supportive of the opening of these yards and has conducted a number of stockmen training courses at Roebuck Plains Station and the Roebuck Export Depot, which directly benefited Indigenous people.

LiveCorp's goal to deliver a strong and sustainable livestock export industry that ensures Australian producers and exporters have access to overseas markets for their livestock through programs funded by exporters, producers and government, has the full support of the ILC. LiveCorp's single focus on the live export industry through its research and development program and the Live Export Program ensures, as far as possible, the continuation of the industry. The ILC also notes that the licensed livestock exporters, who make up the membership of LiveCorp, fully support LiveCorp as an independent, single-focus entity that is vital for the continuation of this most important trade.

While the ILC acknowledges that there is always room for improvement in the way RRDCs can be run, it firmly believes that LiveCorp has to continue as a single entity to bring a sharp focus to the live export trade. Any amalgamation of LiveCorp with another RRDC would be to the detriment of the live export trade and the Indigenous pastoral operations in northern Australia that are so reliant on its continuation.

Yours sincerely



**SHIRLEY McPHERSON**  
Chairperson

