

PASTORAL DEVELOPMENT STRATEGY 2017-2022



CENTRAL LAND COUNCIL





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OVERVIEW

The Central Land Council (CLC) is a Commonwealth corporate entity operating under the Aboriginal Land Rights (NT) Act 1976 and a Native Title Representative Body under the Native Title Act 1993.

It is a leading Aboriginal advocacy agency with more than 40 years' experience working with Aboriginal people, assisting them to get their land back and build sustainable futures. The CLC Corporate Plan 2016-20 sets out its commitment to Aboriginal development;

The CLC aims to contribute to improving the lives and futures of its Aboriginal constituents through achieving sustainable change that reduces the level of Aboriginal disadvantage in Central Australia. The CLC's approach to sustainable development is based on an integrated and strengths-based strategy of building economic, social and cultural capital (p 12).

The CLC recognises that there is an urgent need to support Aboriginal governance and capacity building as a critical foundation to sustainable development. This includes the intensive support required to enable corporations, family groups and individuals to implement economic or enterprise development initiatives in the challenging remote context (p 16).

The CLC has significant capacity to support Aboriginal development. It has extensive experience in building Aboriginal organisational governance and leadership, consultation, participatory planning, and facilitating informed decision-making and effective intercultural communication.



THE CENTRAL LAND COUNCIL'S PASTORAL SUPPORT

The CLC has been supporting indigenous pastoralists since 1991. From the earliest days there was a clear distinction between commercial cattle stations operated by corporations, and smaller pastoral activities of cohesive family based business groups. The Aboriginal operators of the commercial businesses received governance and administrative support through agreements with the CLC. The smaller operators had support with business planning, technical and marketing advice and training. The CLC has also negotiated grazing licences on Aboriginal land with non-Aboriginal pastoralists.

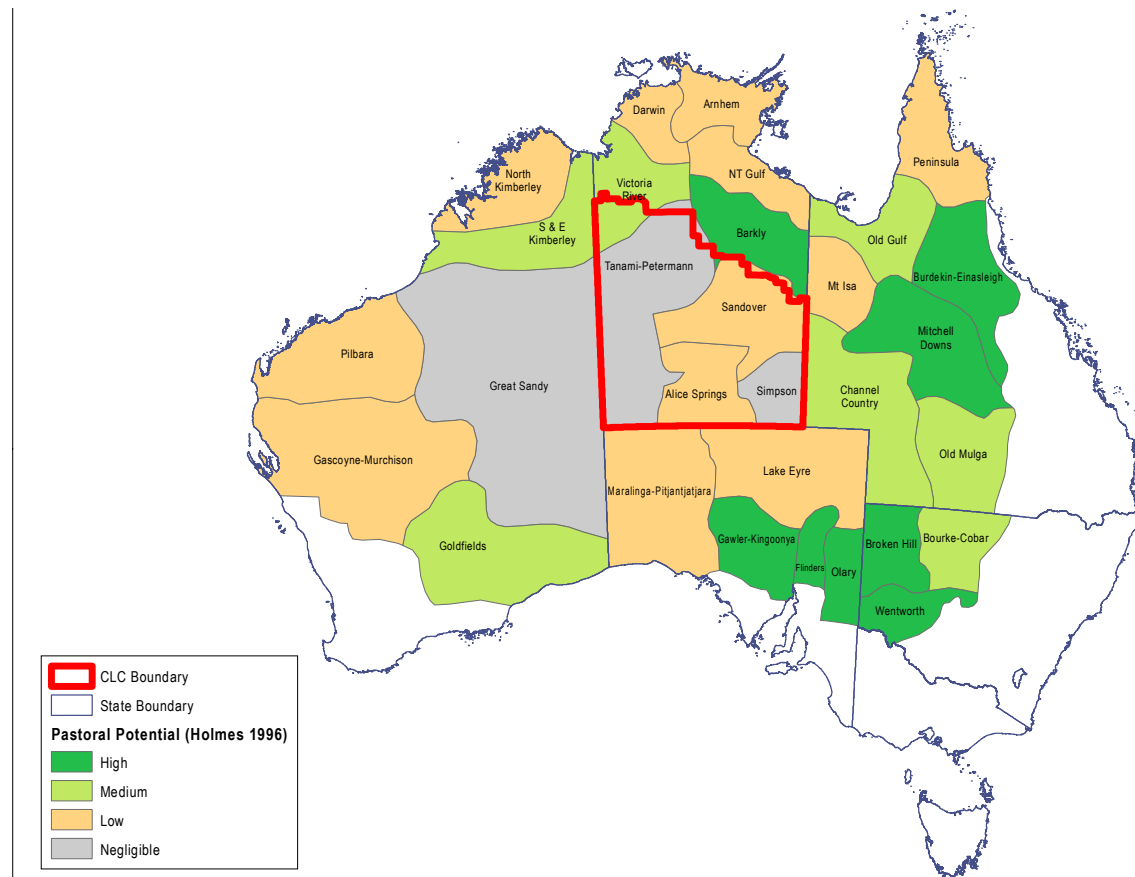
Since 2003 it partnered with other agencies to deliver the NT Indigenous Pastoral Program (IPP). The IPP has provided a co-ordinated, strategic approach to pastoral development consistent with sound property development plans. It is well known for organising annual Indigenous cattleman's workshops providing opportunities for Aboriginal cattlemen to get the latest and best pastoral industry information from the experts.

The pastoral industry and the social and economic environment in which it operates continue to change. Traditional owners have many land use aspirations and may see pastoralism as just one of many compatible land uses. In this changing environment, and with extensive experience to draw upon, the time is right to review the CLC's pastoral support program and set a new direction.

THE CENTRAL AUSTRALIAN ENVIRONMENT

Central Australia is arid with unreliable rainfall patterns. Runs of very dry years are normal. Adding to these challenges, cattle stations suffer high cost burdens, extreme distances to markets, poor regional infrastructure, and inefficiencies of scale¹. Compared to other northern Australian rangelands, central Australia has poor pastoral potential (Fig 1).

Figure 1*



Despite these constraints, much of central Australia attracted enterprising and hardy pastoralists throughout the past 100 years, many of whom saw their pastoral dreams collapse. From the 1970s they sold many unprofitable pastoral leases to Aboriginal people. The leases were converted to Aboriginal Land Trusts. They were usually the poorest of the pastoral leases, mostly flogged out and with worn or broken infrastructure. Today these same arid and remote lands continue to hold out the elusive promise of pastoral development for some, particularly when beef prices are high. Despite the difficulty of making a profit from cattle, many Aboriginal landowners see few other economic opportunities and continue to include pastoralism in their range of land management, land use and livelihood options.

Despite the poor pastoral productivity overall, productivity varies across Aboriginal land. Central Australia is composed of a patchwork of many different land types; hills and ranges, alluvial plains and flood outs, spinifex sandplains, black soil plains and many more. Some of these can carry up to 10 beasts for every square kilometre in an average season, some carry less than one beast for every square kilometre. Most Aboriginal land has lower carrying capacity.

* 1 Holmes, J.H. (1996) Diversity and change in in Australia's Rangeland Regions: translating resource values into regional benefits. *Rangelands Journal* 19(1) 1996, 3-25.

THE NORTHERN AUSTRALIAN BEEF INDUSTRY

The 2013 Northern Beef Report reviewed the profitability of the northern beef industry since 2001, from region to region. The report asked why some businesses made money and some did not. It found that:

- Profit decreases for the northern beef industry as costs continue to rise.
- Bigger cattle herds make profits, smaller herds do not.
- It's very hard to make a profit with herds of less than 3,000 cattle.
- Top producers can make a profit where others can't.

Top producers can increase income through improved calving rates, heavier sale weights, and lower death rates if they match stock numbers to grass in the paddock, in the short term and the long term. Top producers reduce their operating expenses by having lower costs per animal .

What are the important messages for Aboriginal pastoralists from the Northern Beef Report? Many Aboriginal pastoralists do not have large areas of good cattle country and so cannot run a big cattle herd to increase income. To stay in the business, these operators must become more efficient. They can increase productivity by focussing on sustainable grazing of their better pastoral country and by keeping up to date with animal husbandry knowledge. They can reduce their costs per animal by not developing country with poor carrying capacity and by adopting efficient water monitoring and mustering technologies. They should also be willing to explore new ways of co-operating with other producers to achieve economies of scale and to share resources.



WHY ABORIGINAL PEOPLE WANT TO BE IN THE CATTLE INDUSTRY

Although it is hard to make a profit from cattle, many Aboriginal people still want a future in the cattle industry.

Participants at the 2015 indigenous cattlemen's workshop explained why. They believed there were many ways for a cattle business to help them achieve broader social goals. These goals included "to grow the people to grow the business, to gain financial literacy, to keep family together, for pride and empowerment, for recognition as top cattle producers, for long term stand-alone sustainability, to provide good leadership and governance, to maintain culture and spiritual affiliation, and to complete education to a high standard".

People talked about practical ways to be effective and productive by "making a profit, improved management, breeding good quality cattle, providing employment, and showing good land management".

They also talked about other benefits of a cattle business. They wanted support to better manage the separation of community and enterprise responsibilities. They wanted to be more active managers of grazing licences of non-Aboriginal pastoralists. There was strong support for setting up a collective of properties to achieve scale and efficiencies, and to develop Aboriginal operated businesses to service the broader pastoral industry.



HOW ABORIGINAL PEOPLE ARE INVOLVED IN THE CATTLE INDUSTRY

Aboriginal people in central Australia are involved in the cattle industry through:

1. Cattle companies that make money
2. Grazing licences over Aboriginal land
3. Pastoral contracting services
4. Jobs on cattle stations
5. Harvesting feral cattle, and
6. Small pastoral activities that provide social or cultural benefit.

1. Profitable cattle companies

Aboriginal people in central Australia own and operate commercial pastoral companies on the better pastoral country. They all run more than 3,000 head and are big enough to continue to be profitable. They are all operated by corporations representing broad landowner groups. They all employ managers and staff and are governed by Aboriginal directors. These are one side of a two-law system which enables commercial scale pastoralism to operate over a landscape already deeply embedded with complex cultural rights, shared obligations, spiritual meanings, diverse aspirations and histories .

Although the directors can buy in most of the technical and marketing skills needed on a cattle station by employing capable staff, the directors must represent shareholders' interests, ensure the company meets its legal obligations, oversee the management and guide the company to continuously improve efficiency and productivity. The directors of these companies have different levels of experience and in fulfilling their duties many have much to gain from the CLC's strong support.

2. Grazing licences over Aboriginal land

Many areas of Aboriginal land are leased out to neighbouring pastoralists. This helps these pastoralists to operate bigger cattle herds, with lower cost per animal and higher profit margins. Benefits to Aboriginal owners have been mostly passive income - grazing licence payments and 'offsets' (grazing licence payments used to build pastoral infrastructure).

They can leverage pastoralist demand for land to achieve greater benefits for themselves. When negotiating grazing licences over Aboriginal land it is important for landowners to be clear on how the licence may support realistic long term goals. It is important that offsets, contribute toward these long term goals. The grazing licences must not limit traditional owner opportunities to use their lands but could underpin multiple land use activity (such



as landowner operated pastoral activity) and stimulate employment, subcontracting, knowledge sharing, and enterprise co-operation that benefit the licence holder and the traditional owners.

3. Pastoral contracting services

Aboriginal people in central Australia have developed successful small businesses in many industries, including tourism, catering, mustering, fencing and rural training. Small business provides not only employment, but teaches many other skills in governance, administration and payroll, marketing and public liaison. These skills can be transferred to other activities supporting community and economic development.

The broader pastoral industry continues to seek skilled local agribusiness contractors, particularly during the mustering season. Many Aboriginal people have multiple pastoral skills, gained by working on the stations, or taught by their families managing their own pastoral activities. These skills and their profound local environmental knowledge make these people a natural fit to provide contracting services to the broader pastoral industry, such as mustering, weed control, fencing, maintenance, or building contracts.

Although existing grazing licences over Aboriginal land provide for Aboriginal contractors to be engaged at every opportunity, these opportunities are rarely taken up.

4. Jobs on cattle stations

Although many Aboriginal people have jobs on cattle stations throughout the region, for young people with little experience it can be difficult to get a start. Targeted activities to help people land their first job can lead to long careers in agribusiness.

5. Harvesting feral cattle

When numbers of feral cattle build up or prices are high, Aboriginal owners want to muster them to make money. As they rarely have the cars, trucks, panels, wages, fuel, insurance needed to do the muster they often engage contract musterers. The contract musterers pay the costs, and take the risk that they don't get enough cattle to cover their costs. Contractors usually want a big part of the sales income to pay them for their risk.

It is important to regularly muster feral animals on Aboriginal land because unmanaged herds create high animal welfare and environmental risks. When these risks happen the reputation of Aboriginal owners suffers. The CLC can support them by negotiating fair mustering agreements with contractors and helping Aboriginal agribusinesses to tender for mustering contracts.





6. Small pastoral activities that provide social and cultural benefit

Many Aboriginal people undertake small pastoral activities on their land. They develop these pastoral activities not just around the grass and water, but negotiate them within a complex cultural landscape of rights, obligations, aspirations and histories.

Because these pastoral activities take place in small areas it is hard to sell enough cattle to make a profit. However, if they are prepared to subsidise the pastoral activity it can provide many social benefits. Subsidies may be labour and knowledge, fencing materials, or use of land, horses, saddles and cars. These activities are operated by a cohesive business group who see a shared future and will work together to achieve it.

Benefits of these pastoral activities are many, but perhaps none so satisfying as training young people in a range of pastoral and industrial skills and good habits, in a safe environment, on country. With this support these young people will be 'work ready' when they grow up and able to contribute to the economy, choose and build their own future.

These small activities are often difficult, and can falter in tough times or when business groups fragment. Operators can improve benefits and lower the risk by increasing productivity. Information and training can help these operators to achieve pastoral industry best practice management. It is also important to explore different pastoral business models where they might work with other groups to streamline production, focus on the better pastoral country, achieve economies of scale, share resources, or agree on cross-subsidies that benefit each group.

CLC PASTORAL SUPPORT PROGRAM

Vision

Central Australian Aboriginal peoples' society, country, rights, culture, economy and future are secure and flourishing.

Corporate Plan

The CLC's Corporate Plan commits to developing a pastoral program, in particular to:

- Enhance the capacity of traditional owners to make fully informed decisions;
- Build traditional owner capacity for sustainable land use and management; and
- Build and support opportunities for on-ground participation, employment and enterprise in sustainable land use and management.

Goal

The CLC will work with Aboriginal people to develop and strengthen their sustainable pastoral activities, ensuring they result in social, cultural and economic benefits.

Approach

The CLC seeks to create an enabling environment in which Aboriginal people can develop economic opportunities through

- **Building Capacity**
By taking part in all steps of the process each person builds their skills, knowledge and experience. This helps them, as a group to take ownership, to control the issues affecting them, and to direct their sustainable development.
- **Community working together**
By working together people become aware that they face common issues. They can share ideas to address them, seek solutions from other people, and work through group conflict.
- **Empowerment**
Community based development builds stronger and more self reliant individuals and groups that are better able to identify priorities and meet their own needs. They therefore have greater control over their lives, communities and futures.
- **Taking appropriate, effective and sustainable action**
When communities define issues and use their knowledge, skills and experience to develop actions to address them these actions are more likely to be locally appropriate, effective and sustainable.



Objectives

The CLC will:

1. Ensure that all grazing licences are consistent with traditional owners' land use aspirations, licensees continue to comply with licence conditions and landowners actively participate in compliance monitoring;
2. Provide services contributing to the ongoing stability, good governance and profitability of all Aboriginal commercial pastoral companies;
3. Ensure all Aboriginal pastoralists are guided by comprehensive and best practice property plans that they have developed themselves;
4. Give all pastoralists the opportunity to undertake up-to-date and appropriately delivered awareness raising, extension and training activities;
5. Present innovative, well researched, and realistic alternative pastoral business models to all Aboriginal pastoralists, and facilitate the necessary partnerships to enable these new pastoral opportunities to flourish.

Objective 1

Ensure that all grazing licences are consistent with traditional owners' land use aspirations, licensees continue to comply with licence conditions and landowners actively participate in compliance monitoring.

Strategies

1. Ensure landowners have access to adequate information when negotiating pastoral land use agreements (LUA), such as grazing licences, leases and agistment;
2. Assist landowners to negotiate LUA that are consistent with their medium and long term aspirations;
3. Support landowners to ensure terms and conditions of LUAs are met;
4. Assist Aboriginal people and small business operators to take up subcontracting and job opportunities within existing grazing licences;
5. Structure new grazing licences to enable landowners to undertake complementary pastoral activities and collaborate with the licence holder for mutual benefit.

Objective 2

Provide services contributing to the ongoing stability, good governance and profitability of all Aboriginal commercial pastoral companies.

Strategies

1. Offer management support agreements to commercial pastoral operators, in which the CLC agrees to support directors to:
 - Comply with relevant corporations legislation;
 - Maintain good governance;
 - Maintain regular and clear communication between directors, staff and shareholders;
 - Maintain best practice management, including appointment of senior staff, and standard operating processes;
 - Access professional financial, tax, legal, management, marketing and other advice;
 - Access relevant and appropriately delivered information and training;
 - Develop and implement a business plan.

2. Develop and use a standard template to present clear financial information to Aboriginal directors;
3. Support commercial operators to engage, mentor and improve skills of Aboriginal employees to enhance their career prospects.

Objective 3

Ensure all Aboriginal pastoralists are guided by comprehensive and best practice property plans that they have developed themselves.

Strategies

1. Support the development and implementation of property plans, that:
 - Are developed by business owners themselves, privilege Aboriginal aspirations and allow for multiple land uses;
 - Clarify the management structure, roles and responsibilities of the management team and how rewards will be distributed;
 - Highlight sustainable carrying capacity based on landscape processes, land systems, climate, seasonal variation, land condition, pasture characteristics and infrastructure;
 - Demonstrate a sound business case, based on sustainable carrying capacity and realistic assumptions about productivity, markets, costs and management capacity;
 - Recognise and protect cultural sites and practices;
 - Recognise and protect threatened species, critical habitats and ecological refuges;
 - Address risk (such as animal welfare, ecological and work health safety risks).
2. Enhance pastoral planning processes through expert advice on best practice, available and developing technology and future opportunities;
3. Assist Aboriginal pastoralists to implement, evaluate and review their business plans.



Objective 4

Give all pastoralists the opportunity to undertake up to date and appropriately delivered awareness raising, extension and training activities.

Strategies

1. Promote training and extension services to increase productivity and market opportunities, and decrease risk and operating costs;
2. Support the Indigenous Cattlemen's Workshop and other appropriate forums to provide up to date information to Aboriginal pastoralists;
3. Host a regular conference of Aboriginal pastoral company directors to share and benchmark business experience and take part in participatory evaluation of the CLC's pastoral support services;
4. Collaborate with Aboriginal rangers to provide training, mentoring and data storage for Aboriginal landowners undertaking ecological and cultural surveys, and monitoring the condition of rivers and rangelands;
5. Advocate with Aboriginal people and assist them to access nationally accredited rural training.

Objective 5

Present innovative, well researched, and realistic alternative pastoral business models to all Aboriginal pastoralists, and facilitate the necessary partnerships to enable these new pastoral opportunities to flourish.

Strategies

1. Identify and present models of beneficial business partnership where Aboriginal people are equal partners;
2. Identify and present models of regional co-operation to increase scale, efficiency and management expertise;
3. Support Aboriginal pastoralists to integrate non-pastoral activities that can improve profitability by sharing business costs (such as campgrounds, tourism/training camps, youth services, bush foods and agribusiness contracting).





Foundational Activities

The following foundational activities are consistent with the CLC's corporate management goal to 'attain best practice corporate management'. CLC staff will

1. maintain professional standards at all times, consistent with CLC conditions of employment and code of conduct;
2. maintain up to date knowledge of the pastoral and related industries and natural resource management;
3. keep up to date on directors' responsibilities under Corporations Act 2001 and the Corporations (Aboriginal and Torres Strait Islander) Act 2006;
4. improve co-ordination within and between sections to streamline LUA negotiations and compliance monitoring, and professional services to commercial corporations;
5. maintain up to date and orderly records on all pastoral activities;
6. collaborate with external agencies to achieve the CLC's pastoral objectives.

Monitoring pastoral support activities

This strategy will guide the development of activity plans for the day to day work of CLC land management staff. Staff will develop activity plans through team meetings and identify timelines, milestones and responsible parties. Activity plans will be regularly reviewed, achievements will be reported, and reasons for failure will be evaluated. Activity plans will be revised based on this monitoring and evaluation and inform ongoing activities.

It is also important to set targets against the objectives in this strategy. This will enable a deeper reflection on progress towards achieving the objectives and the impact, effectiveness and efficiency of the pastoral strategy in achieving the CLC's vision. The summary table on page 17 sets out a monitoring framework to assess progress against each objective.



SUMMARY

	Objectives	Short term (2017 -2018 years)	Intermediate (2018 - 2021 years)	Long term (2021 - 2022 years)
1	Ensure that all grazing licences are consistent with traditional owners' land use aspirations, licensees continue to comply with licence conditions and landowners actively participate in compliance monitoring	All grazing licences have been reviewed and internal systems in place to effectively track grazing licence status and trigger compliance effort.	Pastoral condition monitoring system in place. Long-term aspirations of landowners clear as they relate to grazing licences.	All grazing licences are subject to regular monitoring with involvement from landowners.
2	Provide services contributing to the ongoing stability, good governance and profitability of all Aboriginal commercial pastoral companies.	Secure management agreements with Aboriginal operated commercial pastoral companies.	Pastoral companies are making sound management decisions based on accurate and up to date information.	Pastoral companies are making sound management decisions based on accurate and up to date information.
3	Ensure all Aboriginal pastoralists are guided by comprehensive and best practice property plans that they have developed themselves.	Funding and other services are identified that can support the production of best practice property plans.	Properties requiring new or updated property plans identified.	Property Plans are completed for all properties and being used to inform decision-making processes.
4	Give all pastoralists the opportunity to undertake up-to-date and appropriately delivered awareness raising, extension and training activities.	Appropriate extension and training activities identified.	Regular opportunities are provided to Aboriginal pastoral operators.	Aboriginal pastoral operators report more confidence in their capacity to operate in the industry.
5	Present innovative, well researched, and realistic alternative pastoral business models to all Aboriginal pastoralists, and facilitate the necessary partnerships to enable these new pastoral opportunities to flourish.	Pastoral potential of properties under Aboriginal control defined. Alternative business models defined and communicated.	Area and project identified to trial an alternative pastoral business model.	Alternative business model implemented that provides benefits to landowners and is sustainable.

For more information contact the CLC
on (08) 8951 6211 or go to www.clc.org.au.



CENTRAL LAND COUNCIL