

**COMMERCIAL ENTERPRISE CONSIDERATIONS
IN BRIEF FOR THE
St CLAIR PROPERTY**



PREAMBLE

The St Clair Property at Mt Olive is owned by the Wonnarua Nation Aboriginal Corporation (WNAC).

Land Asset Management has prepared a property management plan for WNAC covering the St Clair Property. As part of this project WNAC requested the preparation of a short list of possible commercial enterprises that may be considered on the St Clair property.

As there is a lack of critical information thoroughly outlining in detail the state and quality of the resources of the property it is impossible to be specific regarding definite recommendations. The principal resource in this regard is the soil. Basic field tests have indicated that a thorough laboratory analysis be done on the St Clair soils. Included in this would be an understanding of the sub soil. This is recommended before any definite commercial enterprises are suggested. The soils on the property must not be considered in the same way that the rich deep alluvial flats of the Hunter River at Singleton would be considered in this type of situation. Preliminary field investigations have indicated that there is a possible impervious clay layer beneath the relatively shallow topsoil. This could cause the soil to be very poorly drained and unsuitable for intense irrigated production. So unless a thorough examination is undertaken there is no way of knowing if this soil is necessarily ideal for irrigated production on a scale that would be required for an efficient commercially productive unit.

There have been in the past two areas that were under irrigation. This was done as an integral part of a dairy farm. It was used to ensure the continued ability to provide feed for dairy cows. Irrigation was used as drought insurance.

This has to be seen quite differently to the establishment of a dedicated irrigation production unit. There is a requirement for significant expenditure in establishing a modern irrigation enterprise. Therefore a thorough investigation of all aspects of any proposal should be undertaken to minimise risks to this type of investment.

Given the above circumstances as an example of the point made earlier regarding insufficient understanding of the property's resources there are several suggestions to be made.

There are a number of possible commercial enterprises that may be considered, if the underlying resources prove favorable. It is recommended that these listed below be investigated to provide some firm recommendations.

Possible Commercial Enterprises for the Ct Clair Land Holding

BEEF PRODUCTION

Cattle.

- Breeding and raising calves to marketable age.
- Growing out weaners
- Fattening forward store yearlings
- Agisting cattle on the land

With the size limitations of the land available there is little opportunity for beef production on a sufficient scale to be viable. It may be useful as a sideline to other enterprises. There is insufficient land to run a commercially viable beef herd. The introduction of a pasture improvement Programme will increase the carrying capacity of this land. That in conjunction with the cultivation of forage crops will raise productive capacity. Irrigating forage crops would increase their viability considerably. This again returns to the point of confirming soil suitability for irrigation. The financial outlay would be considerable if supplementary feeding, eg. Forage crops are to be considered. The labour requirements are not excessive. There would need to be good expertise in managing a cattle enterprise to successfully undertake any cattle venture. The concept of agisting cattle on the land is a “*low overheads*” venture also worthy of consideration. The various aspects of this are believed to be well understood.

IRRIGATED FARMING

- Lucerne hay production
- Horticulture
- Floriculture

Lucerne Hay production.

Lucerne requires a well drained soil for satisfactory establishment. The creek flats above the crossing may be suitable. This would have to be confirmed by thorough soil examination.

This enterprise has significant capital outlay required for farm machinery and irrigation infrastructure. This would include an upgrade of the irrigation infrastructure to a modern irrigating plant. The provision of Machinery for cultivation and hay making would also be required. It would require relatively low labour inputs.

Another consideration is the amount of water available for irrigation. The present fifteen units may prove insufficient for a “full on” commercial enterprise. There may be a requirement for the acquisition of additional water for a commercial irrigating proposal. This obviously has the potential for additional capital outlay.

Irrigated Horticulture

There are a number of crops that would be worthwhile investigating in regard to the St Clair land. This also may require additional water being purchased.

Crops such as Pumpkins, melons, capsicum and cucumbers. All of these would be worth investigation. This also requires an upgrade to a modern irrigation system. It has a fairly high labour requirement. There would be row crop machinery required as well. Most importantly it is essential to have expert management capability available as this is a fairly specialized field.

Floriculture.

Flowers are a very specialized crop. This would need specialized management expertise. The same proviso applies regarding irrigation infrastructure and they have significant labour input. They, never the less, would be worth investigation on this land.

Native Tree Propagation.

There is a definite possibility that native tree propagation would be feasible on this property. This is in terms of the practical cultural aspects of the process. There may be markets available for tube stock in regard to the rehabilitation of mine spoil dumps. There are a number of issues that need consideration in regard to this enterprise;

1. There are a significant number of commercial operators competing in this field. A search has located eight within the Hunter and neighbouring regions.
2. The availability of tube stock on the market means quite reasonable and competitive prices are available for tube stock in the area. This is particularly the case if purchasing in large numbers.
3. Native plant propagation is very labour intensive as all of the processes are done by hand.
4. The process of propagation requires quite significant expenditure in capital equipment and facilities, e.g.
 - Large Shade House
 - Benches
 - Under Bench Heating
 - Water
 - Misting Irrigation system (roof suspension)
 - Well drained floor,(gravel or matting)
 - Growth Media (potting mix)

- Fertiliser
- Weed control
- Fungal control
- Pots & Tubes
- Seed provision/collection
- Plant Material

This would represent a large outlay to set up. All of this is possible of course. From the point of view of providing tube stock in large numbers for existing or proposed mine rehabilitation contracts it would probably be difficult to produce tube stock cheaper than currently available on the market. There is also the requirement for a considerable amount of expertise in this field to get the enterprise up and running successfully.