CATTLE QUEEN
Why Gina Rinehart’s building a beef empire

PAUL STARICK
Her next brand

Mining magnate Gina Rinehart has her gaze firmly fixed on creating a world-class cattle empire that merges historic family ties with hi-tech farming practices.

PAUL STARICK

The sinking outback sun casts a fierce spotlight on the dusty road, flanked by a stretch of squat gidgee trees. Four white Toyota LandCruisers, bearing the legendary S. Kidman & Co logo on the front doors, snake along the gravel in 45°C heat. Suddenly, the convoy draws to a halt near two Santa Gertrudis cattle, grazing on saltbush and burr grass in undulating, green-tinged country. Australia’s richest woman strides out from one ute, near the convoy’s rear, walking toward the cattle about 50 metres away, evocatively but purposefully. The rest of her entourage pause awkwardly, quietly wondering whether the cattle will scatter in fright at rare human contact.

But Australia’s new cattle queen, Gina Rinehart, raised on stations in Australia’s remote northwest, slowly draws close to the tan-coloured steers, perhaps only 10m away. Drawing on her childhood experience at Hammersley cattle station, in Western Australia’s Pilbara region, she mossoff at the animals as she approaches. It’s a trick she learnt from her father, iron ore magnate Lang Hancock, which she later warns is not good to try if inexperienced.

“Whatever her thoughts about the media, she is unfailingly polite, courteous and generous, despite her public appearances are, usually, tightly scripted and controlled. This might stem from her father of whom, she has said, people were jealous. “My father, who had done so much for our state and country, got sick and tired of hearing his words twisted and misrepresented, so he chose not to have anything to do with the media,” she wrote in 2012.

In turn, Rinehart has been pilloried for her pro-rich views, her wealth, pushing economically selfish politics and using the courts as her personal plaything (although preferring private arbitration). She has been locked in a long-running court dispute with two of her children involving deeds signed years ago regarding their mining fortune, worth about a billion dollars. Even former Liberal NSW state minister Michael Yabsley, who worked for her briefly as a political advisor, accused her of taking people out to dinner and making them pay for their steaks.

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Just before Christmas, their joint venture, Australian Outback Beef, paid $386.5 million for 10 Kidman stations, spanning 80,000 sq km in three states and the Northern Territory, plus a bull breeding stud farm and a feedlot. Buying Kidman spreads Hancock’s cattle interests across Northern Australia, puts the firm in the nation’s top three beef producers and is believed to make her the nation’s largest private landholder – the biggest since Sir Sidney Kidman. It follows the purchase of three other NT cattle stations last year, part of expanding the business beyond the iron ore sector.

“Her next brand”

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Gina Rinehart on Duram Downs station in southwest Queensland; (opposite page) one of Australia’s largest meat producers, S. Kidman & Co Ltd, loads cattle at Helen Springs station in the NT.
legendary cattle king. When asked about her ambition for Kidman, Rinehart expresses her pride at becoming the iconic group’s principal owner. “My ambition is to invest carefully to see our Kidman and Hancock properties become some of the best in Australia,” she says. “Our investment in technology, as we do at our Hancock stations, has brought improvements not only to the stations, but also to the staff working on the properties and towards better animal welfare.”

She also gives a clear sense that this is more than just a business, but goes to the historic forging of the nation’s economic roots and character — and her own. “I am an Australian — multi-generations,” she says. “Our family has held pastoral stations continuously since the late 1800s, so I well understand pastoral businesses are important to the Outback, to provide jobs in the bush and are jobs for Australians. I can’t help but be reminded of my childhood in the Outback, an upbringing I believe I was very fortunate to have. It taught me much about practical common sense, working together without complaint, and good old-fashioned values, devoid of misrepresentation or entitlement.

“It is what I have tried to instil in my children — a love of the Outback, the land, the people and the history. It is what I try to pass on to the next generation.”

“I loved my time on the stations, so many happy memories too. And I admire the station people living in, at times, difficult situations, with long periods of heat, battling drought, dust, flies, snakes, floods, fires, without city conveniences, and with little complaint.”

Rinehart speaks precisely, often softly. Aboard the jet on the way to Durham, she distributes plates of crackers — smoked salmon, topped with sundried tomato, and lightly curried egg. Writing in my notebook in a seat at the back of the plane as the 10-person travelling party flies toward Durham, I’m surprised when she comes down the aisle to proffer the late-afternoon snack. “Would you like something to eat?” she asks quietly.

Earlier, as we landed in Warwick on Queensland’s Southern Downs to launch her new export wagyu beef brand, she popped to the plane’s rear to ask Giles and me “Do you gentlemen have a hat?” In this company, hats are de rigueur. During the Durham Downs visit, she regularly pauses for brief chats - off the record. Later, she supplies extensive written answers to questions. She’s blunt in her opinions about politicians and red tape, in particular, but she clothes them in courtesy — and on and off the record. She rails — again, politely — against high government-related costs, in particular citing state regulations preventing much-needed bores being sunk or dams built on Kidman properties. It’s very much a case of velvet glove and iron fist.

“The regulatory burden concerned with putting down a new bore or building a new dam or introducing better pastures in some states is excessive. Kidman could expand its herds by thousands if it was allowed to put a few more bores and dams into some of its properties,” she says.

“Such investment would mean more jobs for station workers, more jobs for truck drivers, more jobs for meat processors and the list goes on. Government (red) tape and government costs hold us back too much.”

WE ARRIVE AT DURHAM HOMESTEAD SHORTLY BEFORE 8pm, driving over a narrow concrete bridge spanning Cooper Creek as the sun starts dipping behind distant hills. Water laps metres below the top, thick grass lines the banks — remnants of strong rains still washing through the Channel Country. Four galvanised iron sheds guard a dusty slope above the fibro homestead, outbuildings and common room, which includes two ten-seat dining tables, commercial kitchen and glass-door fridge, amply stocked with beer, water and assorted other beverages. Outside is a shaded table and barbecue area near a surprisingly green lawn. There’s satellite TV, just like in the city, and secure WiFi.

About 20min down the slope, through a stand of trees, is the Cooper. Near the banks are two plastic chairs and a swimming pontoon is anchored offshore — station workers say it gives brief respite from the heat.

Jon Cobb has managed Durham since 2007, when he moved there from Adelaide with wife Michelle and their four sons. The couple greeted the Rinehart group at the airfield — now it’s about 8.30pm and he’s getting ready to meet with the boss at the outdoor table. Joining them are Watroba, pastoral company managers and Rick Ford, manager of Fossil Downs station, northeast of Fitzroy Crossing. The property is home to the Cooper, one of Kidman’s oldest farms, near the Cooper River, which has been in Kidman hands for more than 140 years.故事主體

At Durham, Kidman’s former owners had run a lean operation with few of the profits reinvested into the properties. The station can carry 21,500 cattle but now runs about 11,000. The property had inadequate bores and dams to hold cattle numbers in drought conditions. Four years of crushing drought broke last year. The Cooper’s flood plains erupted with flood — little wonder Durham is considered one of the nation’s finest fattening properties.

The temperature hovers above 40°C as the group sits down. A diesel generator churns loudly atop the slope, struggling in the heat — a mechanic is staying over because it’s been playing up. Just after 10pm, they retire inside the airconditioned dining room for a late dinner of roast beef, potatoes, pumpkin and cauliflower, cooked in the commercial-size kitchen. Outside, Rinehart’s executive assistant Glenn and communications assistant James chat over drinks, the dry heat lingering. Glenn jokes that his birthday that day — has been forgotten. Suddenly, at 11.50pm, just when he is giving up hope of celebrations, Rinehart springs out from the dining room, brightly asking: “Would you like some cake?” and wishing Glenn a happy birthday. She is brandishing plates of chocolate cheesecake and layered cream cake, both topped with strawberries, which she places on the table before us.

For someone who trumpets the virtues of hard work, she practises what she preaches. The meeting grinds on. As yawns are stifled, advisers politely observe that some are unaccustomed to the late hours she keeps. Yet Rinehart knows she has only one night with the Durham manager — and one also present from another Kidman Channel Country station — to learn their issues ahead of the first Kidman board meeting under new ownership. She also wants to get across to the managers what Hancock is doing with its own stations.

The meeting closes about 12.40am. The group retires, resting ahead of the Melbourne board meeting — about 17hours and 1200km away.
I believe as an Australian, our forebears and our heritage is what helps to make us, and I was exceptionally fortunate to have a gentleman as my mother’s father, James Nicholas, as one of my forebears,” Rinehart says. “My grandfather was a hardworking, responsible, wonderful Australian, who contributed immensely to this country. His business reputation was outstanding. His family were loving, loyal and supportive, and he became long-term friends with then Sidney Kidman, later Sir Sidney Kidman. I cannot overstate the importance of James Nicholas – this very fine Australian’s legacy and contribution to our country. I feel my grandfather would be quite delighted that I’ve now taken over the responsibility of the iconic station group that his dear and famous friend brilliantly established. He was Rinehart’s paternal great-grandfather, John Dee, who contributed immensely to this country. I feel my grandfather would be quite delighted that I’ve now taken over the responsibility of the iconic station group that his dear and famous friend brilliantly established.

Two of Australia’s richest and most prominent family empires have fused with Gina Rinehart, scion of the Hancock mining interests, taking over the Kidman group forged by Sir Sidney and operated for years by his descend- ants. Rinehart is deeply respectful of history. But, in bringing in a Chinese partner to help open new opportunities for Australian produce in the world’s biggest market, she also has an eye to the future. Australia’s new cattle queen – and arguably the nation’s most mysterious and polarising businesswoman – is now forging her destiny.

AFTER THAT BOARD MEETING, RINEHART WILL OUTLINE HER ambitions for Kidman – the result of touring the new empire. Stations such as Durham need more water points – cattle start losing weight if they walk more than about 2.5km to water. Walkover weighing stations, already operating on Hancock properties, will be installed. In arid areas, these will be placed near fenced water points, requiring cattle to walk over scales before entering and enabling their weights to be remotely recorded. Importantly, they will remove the need for mustering by identifying individual cattle, calculating their weight change and, if necessary, automatically drafting them into holding pens ready for market. This can also enable overseas customers to order, say, 5000 head of cattle between 450kg and 500kg, and the animals to be easily located and corralled.

“As always, water is king, so more water facilities were required,” Rinehart says. “We’d heard that Kidman was considering introducing an electric vehicle, but hadn’t yet done so, and one of my managers offered to try one on his station if required.”

The new owners are vowing to boost communications – one of Durham’s radio repeaters was down – and forge a hi-tech future for the Kidman empire by transferring technology already used in Hancock’s mining and pastoral operations. A digital UHF radio network will be tested and rolled out across the Kidman empire. The aim is to iron out dead spots and give greater visibility of staff movements across the sprawling property, including arming them with emergency position indicating radio beacons (EPIRBs).

More helicopters are on the way. Rinehart says they have “greater diversity of uses than fixed-wing aircraft” and “will add to station staff’s knowledge and efficiency.”

Perhaps the most intriguing, however, is the introduction of drones – already used in the mining industry for mapping, surveying and monitoring environmental management and mine rehabilitation. Rinehart revealed plans for a large trial of drones on Hancock’s Kimberley stations, which, if successful, would result in aviation authority approval for drones on Kidman properties.

“We are trialling drones at our Hancock Kimberley stations for doing such things as photographing water tanks and troughs, where reliable daily water is critical, especially in heat, and photographing fences and filming operations around the station. The manager on such large stations can’t be at all places,” Rinehart says.

The trial drones can carry up to 4kg, which she predicting will be useful in emergencies for quickly carrying items such as epipens (handheld devices used for injecting doses of adrenaline as an emergency treatment for anaphylactic reaction to insect stings, foods and medications).

RINEHART’S HORIZONS ARE FAR MORE EXPANSIVE THAN even the wide vistas of Durham Downs. Exports to the world, especially the giant potential of China, is very much in her thinking.

Before we flew to Durham, she stopped in Warwick to launch a new full-blood wagyu beef brand for export to Asia, witnessing the first consignment being packaged for China. The 2GR brand includes wagyu from three Hancock cattle stations in western NSW, near Dubbo, which hold about 8000 head. They are grain fed near Warwick before processing.

Like the Warwick venture, the Kidman purchase has close ties to China. Hancock Prospecting holds a 67 per cent stake and Shanghui CREED the remainder in the Australian Outback Beef consortium. Rinehart displays some of the small-government, low-cost agenda for which she is known and despised, in some quarters – when explaining the China push.

“Australia relies – given its relatively small population and large land mass – on overseas markets. We are an export-based economy, whether that be for wool, iron ore, coal, or other primary products,” she says. “We have targeted Britain, Japan, South Korea, India, Europe and elsewhere. Increasingly we are targeting China for market opportunities, and while the purchasing power of China continues, Australian producers will continue to seek Chinese buyers also. But we always must remember, for countries to be willing to buy from us, we must be price competitive, in addition to those factors.”

Rinehart says she was trialling drones at her Hancock station group that his dear and famous friend brilliantly established. The 2GR name is inspired by Rinehart’s paternal great-grandfather John, who ran one of the first stations in Western Australia’s northwest, Ashburton Downs. Her ancestors had sailed, she says proudly, into nearby Cossack (now a historic ghost town near Karratha) aboard the wooden ship Sea Ripple, becoming the first European-heritage settlers. Her great-grandfather established the HIB brand (standing for “Hancock three brothers”) for cattle and sheep in honour of his three sons, one of whom was Rinehart’s grandfather, George Hancock.

For all the intense pursuit of revenue and job creation that fuels Australia’s richest woman, there clearly is a sense of fulfilling family destiny by buying Kidman. She has repeatedly and proudly spoken of her maternal grand- father, James Nicholas, Sir Sidney’s business partner and friend. Their ventures included partnerships in pastoral stations and an extensive Cobb & Co. carrying business in Western Australia. Rinehart credits him with building thousands of miles of roads, inns and staging posts, along with designing and bringing the first buses to WA.

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PART OF THE KIDMAN CATTLE EMPIRE

DARWIN

Phoenix Park
Liveringa Station
Fossil Downs Station
Inverway Station
Riveren Station
Helen Springs Station
Nerrima Ruby Plains Station
Mulga Downs Station
Glengyle Station
Durrie Station Morney Plains Station
Macumba Station
Innamincka Station
Durham Downs Station
South Burnett

PERTH

PROPERTY OWNER
Hancock Prospecting
Australian Outback Beef (AOB)
Note: AOB is a Hancock Prospecting & Shanghai CRED joint venture company

ADELAIDE

Tungali Feedlot

BRISBANE

Boogadha & Caigan Stations
Glencoe Station

SYDNEY

MELBOURNE

A 12-year-old Gina riding (top) a young  

ina with her  

father, Lang Hancock (middle); Gina, her mother Hope,  

husband Greg Hayward, Lang with Gina’s son, John (above).
Spiro Pappas, Gina Rinehart (above and right), a station hand and Tad Watroba enjoy a trip checking out the vast Durham Downs station in southwest Queensland.