



DELEGATE'S REPORT

8th August 2006

DR1	SALEYARDS ANNUAL CONFERENCE
	FILE: 388 CLR B SOWTER

SUMMARY:

Reporting on attendance at the Saleyards Operators Association (SOA) Annual Conference.



DESCRIPTION:

I represented Council at the SOA Annual Conference held at Forbes on 26th/27th July 2006 and was accompanied by the Director Corporate Services, Bruce Snape, and Saleyards Project Manager, Russell Bowen.

The Conference theme was, Our "steak" in the future, and attendees included representatives from Victoria, South Australia, West Australia, and Queensland as well as most NSW saleyards operators.

The Conference Program included addresses by: -

- Renata Brooks (Director General for Department of Primary Industries) - spoke on the need for a coordinated approach to the National Livestock Identification System (NLIS) and indicated that compliance checking would commence soon.
- Bill Bray (Cattle Council of Australia) - emphasised the impact that disease can have on meat markets worldwide and the need for Australia to maintain "trust" in its red meat product. Trust takes decades to build and moments to destroy. He also spoke of the need for rationalisation of Saleyards.
- Steve McCutcheon (Executive Director Department of Agriculture Fisheries and Forestry) - Red meat exports market valued at \$5.8 billion p.a. Cattle sales by auction has decreased from 65% in 1990/91 to 44% in 2001/02. Saleyards operators

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are facing challenges and must continue to strive for operational efficiencies to retain their customers, including the implementation of new technologies.

- Bob Biddle (Australian Chief Vet) - addressed the key elements of the Emergency Animal Disease plan. He stressed the responsibility of individuals, as well as governments, with an emphasis on prevention, and remain alert and be prepared.
- Ian King (CEO Ausmeat) – spoke on the importance of community perception of animal welfare and the requirement for “traceability is the non-negotiable foundation for maintaining the public trust” in our red meat products.
- David Palmer (Managing Director Meat and Livestock Australia) – identified the major issues as being traceability; animal welfare; and food safety. We need to develop systems to deal with perceptions. Red meat consumption and economic development is linked. Brazil and Argentina are growing their markets. Russia is a new market for Australia. Saleyards are part of the “food industry”, not the livestock industry.

In the event that an exotic disease outbreak occurs in Australia, if the NLIS allows us to get back into the world markets 1 week earlier than otherwise the money earned in exports for 1 week (\$100M) would more than pay for the entire cost of implementing the NLIS.

- John Knight (Saleyards Manager, Wagga) – Animal liberation activists, commenced a media campaign against Wagga saleyards in January 2006. John provided advice on handling the media.
- Stuart Reden (RTA) spoke on the latest legislation regarding Higher Mass Limits and new draft guidelines for ‘B’ Double Access.
- Scott Turner (Department Agriculture Fisheries & Forestry) addressed animal welfare issues. Saleyards need to be prepared to deal with groups such as PETA (People for Ethical Treatment of Livestock). We need to publicly explain that good welfare = good profit.
- Jock Laurie (NSW Farmers) covered a wide range of issues and highlighted areas requiring attention. We need to all work together; invest in long term planning; rationalise saleyards but consider effect on smaller centres; and retain saleyards as the price setting medium.

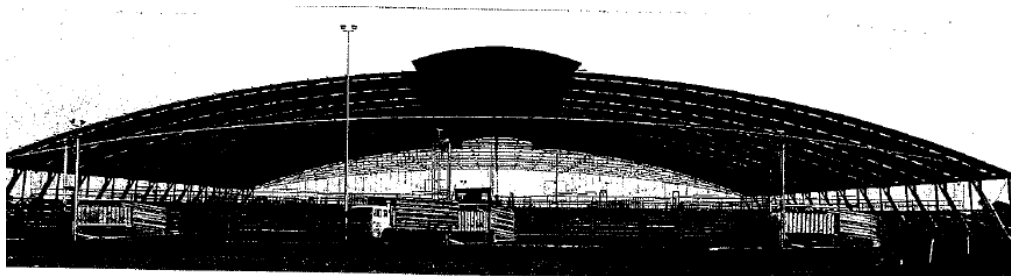
A number of speakers put forward a thought provoking question for Australian farmers – “Will I be paid more for producing energy than for producing food?”

At the Annual General Meeting a series of motions were passed which allows any saleyard operator in Australia to become a member of "Saleyards Operators Australia".

Other resolutions passed concerned the formation of a task force to review curfew times and to review the quality assurance system to acceptable standards.

Councillor Jim Henderson of Gloucester Shire Council has been re-elected as President of the Association.

An onsite visit to the new Forbes livestock selling centre provided information on the latest technology and systems being adopted. The centre was developed on a "greenfield" site some 10km from Forbes at a cost of approximately \$12M. A clear span roof covers the entire complex and enables soft flooring to be used. Cattle throughput at Forbes is approximately 65,000 p.a.



By way of comparison Kempsey Shire Council's upgrading investment of say \$2M for cattle throughput of 33,000 head p.a. gives a capital investment ratio of \$60.61 per head whereas the Forbes centre represents \$184.62 per head ie. more than 3 times higher than Kempsey's investment.

Council is well justified in being proud of Kempsey Regional Saleyards, and discussions with other centres re-affirm that the recent upgrading program has been in line with "best practice" industry trends.

I formally presented Council's submission to host the 2007 Saleyards Conference. Voting was extremely close with the south west centre of Deniliquin being successful. The SOA will hold a Board meeting in Kempsey on Friday, 29th September 2006.

REPORT IMPLICATIONS:

- ***Environmental***

Nil.

- ***Social***

Nil.

- *Economic (Financial)*

Council's attendance at the Conference cost a total of approximately \$1,500.

- *Policy or Statutory*

Nil.

RECOMMENDATION:

1. That the information be noted.
2. That Council submit a nomination to host the 2008 Annual Saleyards Conference.

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COUNCILLOR B SOWTER