



SALEYARDS ADVISORY COMMITTEE MEETING

MINUTES

SECTION 5.9(2)(a) LGA 1995

Committee Brief

The duties of the committee shall be to:

- *Make recommendation to the Council regarding the strategic direction of the Saleyards;*
- *Make Recommendation to the Council regarding the Environmental Action Plan for the Saleyards;*
- *Bring to the attention of the Chief Executive Officer, industry matters regarding the cattle industry that may not be readily available to persons external to that industry; and*
- *Make recommendation to the Council regarding development works on the site.*

A Meeting of the Saleyards
Advisory Committee was held in the
Committee Room, Lowood Road, Mount Barker WA 6324,
9.30am Tuesday 8 December 2015

Rob Stewart
CHIEF EXECUTIVE OFFICER

Committee Members

Cr J Moir, Cr B Bell, Cr J Oldfield, Mr M Skinner – Industry Representative – 226/15

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Membership

Cr J Moir

Cr B Bell

Cr J Oldfield

Mr M Skinner

Cr L Handasyde (Deputy for any member)

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

9.30am The Presiding Member declared the meeting open.

2 RECORD OF ATTENDANCE / APOLOGIES

Members Present

Cr Jeff Moir (Presiding Member)
Cr Brett Bell
Cr Jon Oldfield
Mr Michael Skinner

Staff

Mr Rob Stewart, Chief Executive Officer
Mr John Fathers, Deputy Chief Executive Officer
Mr Stewart Smith, Saleyards Manager
Mrs Erika Henderson, Assistant Saleyards Manager

3 CONFIRMATION OF MINUTES

Moved Cr B Bell, seconded Mr M Skinner:

That the Minutes of the Meeting of the Saleyards Advisory Committee held on 10 November 2015 as circulated, be taken as read and adopted as a correct record.

CARRIED

4 DISCLOSURE OF INTEREST

A Financial Interest was disclosed by Cr J Moir
Nature and Extent of Interest: Cattle Farmer - 100 head of cattle; and
Elders Employee – Work part time for Elders Rural Services

A Financial Interest was disclosed by Mr M Skinner
Nature and Extent of Interest: Cattle Farmer - 400 head of cattle

Authority to participate pursuant to Section 5.69 (3) (a) and (b) of the Local Government Act 1995

Approval has been received from the Department of Local Government and Communities via a letter dated 19 December 2014, giving permission for Cr J Moir and Mr M Skinner to participate in matters relating to the Mount Barker Regional Saleyards until 31 December 2015.

Mr J Fathers read aloud the letter, a copy of which is attached to these minutes.

5 REPORTS OF COMMITTEE MEMBERS AND OFFICERS

5.1 MANAGER'S REPORT – 3 NOVEMBER TO 1 DECEMBER 2015

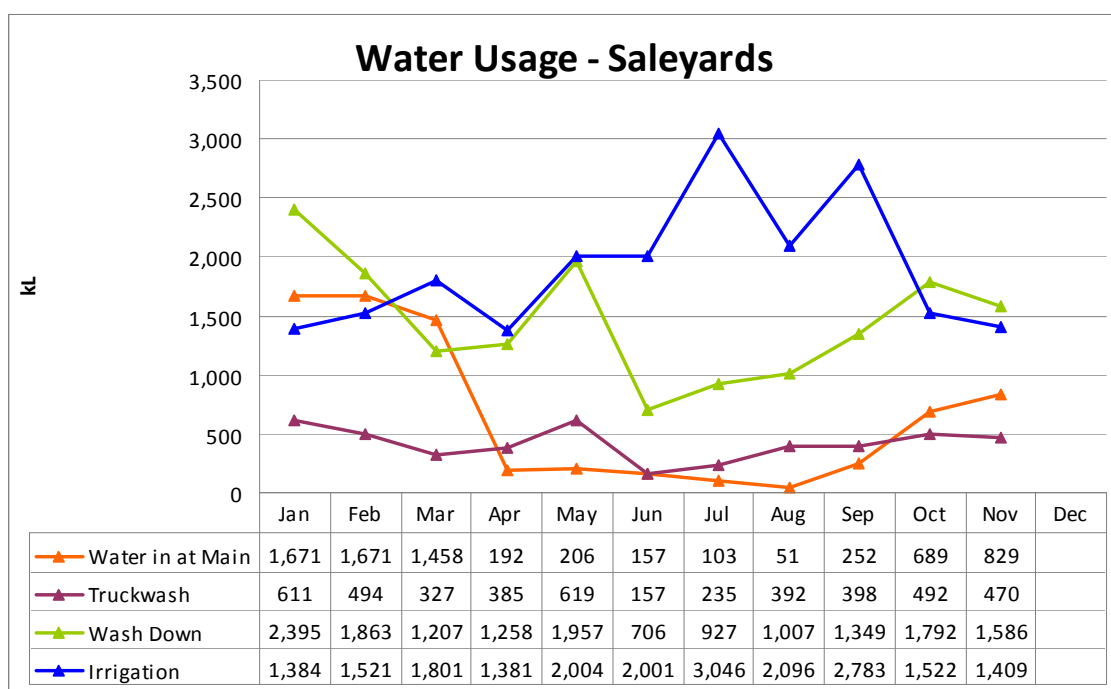
SALE DATA

- Total sale numbers 6,215.
- There have been no cattle eligible for MSA sales in this time.
- 39 cattle have received replacement NLIS tags over this time.
- Four animals have been put down or removed.
- 17 bales of hay have been fed out over this time.
- There have been 299 cattle processed for Private/Shipper Weigh.

GENERAL BUSINESS

- On Thursday 5 November, the network from the weighbridges to the office went down. This happened towards the end of weighing so we finished off the last of the cattle by manually entering weights and hand scanning. The Shire's I.T contractor (Pre-Emptive Strike) believes it could be a router problem and one has since been ordered and waiting on installation.
- Ruhi Ferdowsian (former Department of Agriculture hydrologist) has been out a number of times looking at bore options and water flow. A preliminary report has been received and is being considered. We also managed to get another water diviner to come and explore options (John Baxter). He was confident that initial results from our first diviner were correct.
- Albany Show was held on 13 - 14 November with Erika and Rachel heavily involved. Erika has been in every newspaper and television as she spent some time with Prince Charles and The Duchess of Cornwall.
- All the lift gates around the two weighbridges have been serviced and some gates have had new chains in preparation for the busy season. All concrete troughs have been cleaned and scrubbed also in preparation.
- On 19 November the first sale was held where only cattle with the new version of NVD (C0413) were accepted. It was very surprising that there was only one vendor (from Esperance) with the incorrect NVD. The truck driver mentioned that to the vendor and by the time the animals arrived here, an emergency NVD had been received by fax. With double sales starting the following week we only had one vendor (from Esperance) with the incorrect NVD and this was also rectified before the sale.
- On Tuesday 24 November, Jack Nixon (Department of Agriculture and Food Stock Inspector/Brands Office) spent two hours with Stewart, Erika and Rachel going over the finer details of animal compliance, the NLIS database, Shire obligations and whether we had any issues regarding the NLIS system. It was noted that Mount Barker Regional Saleyards is doing it the best out of all the Saleyards in the southern part of WA.

- On Wednesday 25 November (receivals for the two day sales), three animals arrived on site which had animal welfare issues (cancerous eye, horn in head and old injury that had healed with 'Not Fit to Load' issues). Myles Nye-Chart from Mount Barker Veterinary Hospital was called by Stewart to assess animals and give advice. Two were destroyed on site the third bypassed the sale process and went direct to slaughter. Vet charges were emailed to agents with no cost to the Saleyards.
- Double sales commenced on 26 - 27 November and all went well. One weaner got stuck in a concrete trough which was cut out of the hoop early Thursday morning.
- Plantagenet Sheds & Steel commenced dispersal ramp 2 modifications on Monday 30 November and this should not disrupt dispersing cattle after the sales on Thursday and Friday.
- We have high pressure cleaned the verandah area around the office and this has come up really well (like new).
- Gate 2 Plate entries have now closed. We have 60 teams again of which about half of the entries are new competitors. Entries are from all over lower half of WA (see attached information).
- The Saleyards Christmas Party BBQ will be held on 17 December 2015 at around 5.00pm (depending on sale size). All councillors are invited to attend.
- The latest water usage graph is shown below.



OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Cr B Bell, seconded Mr M Skinner:

That the report of the Saleyards Manager, relating to current activities at the Mount Barker Regional Saleyards, be received.

CARRIED

5.2 SALEYARDS FINANCIAL REPORT – 30 NOVEMBER 2015

File No: CA/126/1
Responsible Officer: Rob Stewart
 Chief Executive Officer
Author: John Fathers
 Deputy Chief Executive Officer
Proposed Meeting Date: 8 December 2015

PURPOSE

The purpose of this report is to review the preliminary financial position of the Mount Barker Regional Saleyards for the period ending 30 November 2015.

STATUTORY ENVIRONMENT

There are no statutory implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

FINANCIAL IMPLICATIONS

This report identifies the current operating position of the Saleyards.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

OFFICER COMMENT

A spreadsheet showing the 30 November 2015 position of operating and capital budget items is attached for information. Overall year to date (YTD) operating expenditure is \$425,310.00, which is \$51,912.00 below YTD budget. There are no significant operating variances.

In regard to capital expenditure, it should be noted that the truckwash controller will come in over budget due to unexpected electrical connection works (\$1,200.00) and an uninterrupted power supply (\$1,500.00). The weighbridge weigh cells also came in over budget due to the length of time between receiving the quotation and undertaking the project. In addition the cost included \$2,000 for the initial calibrations of the weigh cells.

Overall YTD operating income is \$204,431.00, which is \$15,524.00 above YTD budget. Weigh and Pen Fees are now \$19,880.00 above YTD budget.

Amounts spent so far on the Saleyards Roof project are as follows:

| Date | Payee | Description | Amount |
|------------|------------------|-----------------------------|-------------|
| 1/07/2015 | Maxwell Designs | Roof Design | \$6,531.82 |
| 29/10/2015 | Opus Consultants | Tender Documentation (Part) | \$5,325.00 |
| | | | \$11,856.82 |

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Mr M Skinner, seconded Cr J Oldfield:

That the report of the Deputy Chief Executive Officer, relating to the current financial position of the Mount Barker Regional Saleyards, be received.

CARRIED

5.3 PROPOSAL FOR TV ADVERTISING - SALEYARDS

File No: CA/126/1
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 8 December 2015

PURPOSE

The purpose of this report is to consider a proposal to undertake TV advertising for the Saleyards.

STATUTORY ENVIRONMENT

There are no statutory implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report. It is the opinion of the author that policy development is unnecessary.

FINANCIAL IMPLICATIONS

The preparation of 15 second and 30 second TV advertisements, which can be used for an initial campaign and over a number of years, would be in the region of \$2,000.00. A minimal initial advertising campaign undertaken in February 2016 could cost in the region of \$4,000.00, depending on the extent of the campaign.

Budget Item 'Saleyards - Promotional Material & Public Relations' has a total budget allocation of \$15,000.00 for 2015/2016. A total of \$10,463.00 has currently been spent or committed, leaving \$4,537.00. It is anticipated that the costs associated with the preparation of a TV advertisement could be met from this budget allocation, however an additional unbudgeted allocation would need to be made to cover the cost of an advertising campaign. This matter could be dealt with in the next budget review.

STRATEGIC IMPLICATIONS

The Shire of Plantagenet Strategic Community Plan 2013-2023 provides at Outcome 3.5 (Appropriate infrastructure that supports sustainable economic development) the following Strategy:

Strategy 3.5.5:

'Manage and maintain the Saleyards to ensure that the facility is successful and self-sustaining'

Accordingly, the recommended outcome for this report aligns with the Strategic Community Plan.

OFFICER COMMENT

Recently, the Saleyards Manager has had some very positive feedback from a number of people visiting the saleyards, indicating that they were surprised at the quality and modern features provided at the facility. It is his view that there is a misconception among many potential users of the saleyards about what the Saleyards has to offer.

It has been proposed that TV advertising may offer a more effective way promoting the saleyards to both buyers and sellers than traditional print media.

Some investigations have been made regarding the development of a 15 second and a 30 second TV advertisement, which can be used for an initial campaign and over a number of years in the future. The advertising would target producers in the cow / calf market and feedlotter around the Hyden area. In addition, it is hoped to attract some of the cattle currently being transported to Muchea from the Esperance area, particularly as anecdotal evidence suggests that tree farms are being pulled out in favour of cattle grazing. This advertising may also 'break through' to those producers who are currently being influenced by their stock agent to continue to sell in a particular way.

The use of TV advertising to a small subset of the population is, in theory, not the best way of targeting potential customers as it captures a lot of people who are not involved in the cattle industry. However, it is considered that there are enough people in the target area who may be interested, who are unaware of the Saleyards or what it has to offer in terms of modern infrastructure and quality product. The GWN Southeast area incorporates a population of approximately 170,000 people (as shown on the attached map).

The advertisement would focus on a number of messages in order to attract interest, namely:

- State of the art complex;
- Over 60 sales per year;
- High quality British / Euro breeds;
- Easy load ramps;
- Soft floor;
- Availability of fresh water;
- Canteen;
- Truckwash;
- Calibrated scales; and
- Biosecurity – wash down / feeding of cattle.

The use of a drone would give an interesting perspective of the entire facility but the advertisement would also need to include people interacting with cattle. Following discussions at a previous meeting of the Committee, a YouTube video featuring the advertising footage should be produced for the Shire's website.

While the busy season is almost upon us, there would still be some time available to develop an advertisement and put it to the market in February. An analysis of throughput following the campaign should enable the Shire to gauge the effectiveness of the approach. In broad figures, the \$4,000.00 investment in airtime would need to achieve an increased throughput of approximately 400 cattle (at approximately \$10.00 per head).

Indicative costs have been obtained from two media companies for the development of 15 second and 30 second TV advertisements, which can be used for an initial campaign and in the future. The costs are both in the region of \$2,000.00, depending on options selected. Having a 15 and 30 second advertisement allows the message to be spread more effectively, with the 30 second advertisement used to establish the

brand and the 15 second reminder advertisement used thereafter at a greater frequency, but less cost.

The options involved for the GWN7 media are virtually unlimited, depending upon budget. GWN7 has developed a proposal which is somewhat out of date now, but gives an idea of costs (see attached). Extracting summary figures for a one month period in February results in the following summary, which can be used as a guide to the cost of an initial campaign:

| Week | 15 | 30 | Spots | 1,000's | CPM | TARP | CPT | Cost |
|-------|----|----|-------|----------|---------|-------|---------|------------|
| 1 | 3 | 10 | 13 | 184.69 | \$4.10 | 75.5 | \$10.04 | \$758.00 |
| 2 | 3 | 10 | 13 | 184.99 | \$4.94 | 75.6 | \$12.08 | \$913.00 |
| 3 | 3 | 10 | 13 | 180.69 | \$4.82 | 73.9 | \$11.79 | \$871.00 |
| 4 | 3 | 10 | 13 | 180.69 | \$4.82 | 73.9 | \$11.79 | \$871.00 |
| Total | 12 | 40 | 52 | \$731.06 | \$18.68 | 298.9 | \$45.70 | \$3,413.00 |

This report is provided for discussion purposes, however the administration is of the view that it would be a worthwhile exercise, the effectiveness of which should be able to be determined (both scientifically and anecdotally) before determining an ongoing budget allocation.

VOTING REQUIREMENTS

Simple Majority

During discussion at the Saleyards Advisory Committee meeting held on 8 December 2015, members were happy with the Chief Executive Officer's intention to progress this initiative. The view was expressed that longer campaigns would be more effective and that it may take two years to accurately measure the benefits of the proposal. It was suggested that the Shire ensure that it owns the vision, so that it can be used of other marketing purposes.

OFFICER'S RECOMMENDATION / COMMITTEE DECISION

Moved Cr J Oldfield , seconded Cr B Bell:

That the report of the Deputy Chief Executive Officer, relating to the proposal to undertake TV advertising for the saleyards, be received.

CARRIED

6 GENERAL BUSINESS

6.1 CCTV

Following problems with the CCTV system not identifying vehicle number plates at night, the Deputy Chief Executive Officer advised that the current CCTV system had been tested at close range, at various angles during darkness and had worked well. The equipment would be shifted to a new location, closer to oncoming traffic in the near future.

6.2 GATE TO PLATE FEEDLOT CHALLENGE

The Saleyards Manager advised that the Gate to Plate Feedlot Challenge had attracted Coles as a sponsor for the Children's Field Day and there were discussions about a scholarship being established in order to attract young people into the livestock industry.

6.3 EXERCISE APOLLO

The Saleyards Manager advised that he recently attended an industry briefing on exercise Apollo, which sought improve to preparedness and capability in reducing the impact of disease outbreak on WA. The Saleyards would likely be a stakeholder in such an outbreak.

6.3 PROPOSALS FOR FURTHER CONSIDERATION

- Greater use of chlorinated water / Water sustainability – At its meeting held on 27 May 2014, members agreed that the requirements specified in the letter from the Health Department of WA make the operation of the waste water re-use system unviable. A budget item for 2015/2016 has been included for an additional water source. A meeting has been held with a diviner / drilling contractor to seek a potential bore site. Ruhi Ferdowsian has now been engaged to provide supporting advice in this regard.
- Agents Agreements – The new agreements have now been sent out to agents.
- Standard Operating Procedures – Draft procedures have been developed and form an addendum to the new Agents Agreements.
- During discussion at the meeting held on 19 August 2014, it was agreed that some thought should be given to a public relations opportunity for the millionth animal to go through the saleyards.

At its meeting held on 28 April 2015, the Committee considered that a similar event to what has been done previously to promote the yards would be appropriate, with a plaque, speeches and sash around the 1 millionth animal. Some thought will need to be given to how the animal is chosen. Consideration should also be given to whether the throughput calculation is based on sale cattle only, as the current total includes private weighs and transit cattle. At this stage, it is expected that the milestone will be reached in March 2016.

- During discussion at the meeting held on 9 December 2014, the Committee agreed that need for an independent power supply to run the sale and provide water to cattle was becoming more important. The Committee requested the Saleyards Manager to investigate options for a suitable on-site generator. The Saleyards Manager has made some initial enquiries.

- At its meeting held on 3 March 2015, the Committee noted the intention to investigate and provide advice to the Saleyards Advisory Committee in regard to options for the purchase and / or lease of a skid steer loader, with such advice including a history of the current machine, most appropriate machine and a cost benefit analysis of leasing versus other procurement / trade-in options. Some preliminary enquiries have been made and one machine tested. An ideal machine has not yet been identified.
- During discussion at the meeting held on 21 July 2015, the view was expressed that there may be a need to discuss the condition of Mitchells Transport's yards, as the yards may require some maintenance or upgrading before the end of the next five year lease term. The Saleyards Manager was requested to provide comment on the condition of these yards for further consideration and it was also agreed to review the lease conditions in this regard.
- During discussion at the meeting held on 13 October 2015, it was suggested that the Shire should take the opportunity to educate and advise producers on common animal welfare issues. The Chief Executive Officer agreed that it would be appropriate to erect a sign at the saleyards, together with a mailout to all producers who have used the saleyards pointing out the expectations under the Code of Conduct and what will happen to cattle which arrive at the saleyards that are not fit to sell.

During discussion at the meeting held on 8 December 2015, the Saleyards Manager advised that he had discussed this matter with the Department of Agriculture and the feedback is that there is currently a strong industry wide focus on such issues.

The Deputy Chief Executive Officer advised that, following discussions regarding the practice of some producers to rely on insurance for issues in transit of sub-standard cattle, he recently discussed this matter with the Shire's insurers, LGIS. It was LGIS' view that this matter was more appropriately pursued through the animal welfare legislation rather than the insurance industry.

- During discussion at the meeting held on 10 November 2015, members discussed the proposal undertake TV advertising and there was agreement that TV advertising was a more cost effective way promoting the saleyards to both buyers and sellers. The Committee requested the administration to provide a report on the options and budget implications. Report attached.

7 NEXT MEETING

2 February 2016

8 MEETING CLOSURE

10.20am The Presiding Member declared the meeting closed.

CONFIRMED: PRESIDING MEMBER _____ **DATE:** ____/____/____