The future of cattle sales in one of northern New South Wales larges tcattle selling centres is under a cloud after the local council took the dramatic step of shutting agents out of the facility because they rejected its increased over a disgreeement about fee increases to pay for a new yard upgrade.

Late last week the Richmond Valley Council announced it was placing the Northern Rivers Livestock Exchange at Casino in lockdown. This Wednesday’s weekly prime sale and future scheduled sales have effectively been cancelled until the issue is resolved.

As of Monday morning the standoff continued with no sign of a meeting in sight to resolve the situation, and agents encouraging vendors to contact them to make alterative arrangemtns for cattle they need to sell as the dry conditions worsen.

The Northern Rivers Livestock Exchange is a key contributor to Richmond Valley economy, trading more than $113 million cattle last year. In 2016 it was the fifth largest cattle selling centre in NSW by throughput volume, selling 107,000 cattle.

The Richmond Valley Council has recently secured $10.5 million in combined Federal and State Government grants to fund an upgrade of the NRLX which will include a roof and soft flooring.

Central to this week’s standoff is the Richmond Valley Council’s decision to introduce a a new “business usage fee” for agents totalling $1 per head of cattle from July 1.

The council has defended the increase as a necessary move to fund repayments on a $3.5 million low interest loan it has taken out to pay the remaining cost of the $14m upgrade, and says it wans to avoid any reliance on ratepayers’ funds.

In a written statement mayor B=Mustow? Said a fee structure had to be developed to ensure the NRLX operated as a self-sustaining business unit, with next to no reliance on ratepayer funds.”

Agents however have strongly objected to the increased fees being charged before the work is complete. The upgrade, and the benefits that will come with it, is still more than 12 months from being completed. The construction works mean agents currently have access to a much smaller number of pens. They argue it is unfair for the fee to be charged on agents, and ultimately vendors, until the upgrade is completed.

“They keep putting our sellin gfees up as agents and vendors and we're still in a third class facility,” Casino Auctioneers Associatoin president Matt McCormack told Beef Central.

“Our argument is when the show is complete and built and everyone is happy stick us then

“If you go and camp at a motel if it is under renovation you don't charge full tote odds do you.”

At present, with work underway, they have less space to sell and less throughput

The Council had

If agreed to, the selling fees would have risen from $8.68 to $12.50 per head over a three year period. As these fees are paid by the vendors, the agents have refused to accept the Council's position which would have meant higher selling costs for you.

Agents pay an annual Selling Permit Fee to Council to be able to Market Livestock at this facility. The Council has proposed an increase of $1 per head to the fees charged for each head of cattle sold in the saleyards.

We ask for your support as we work through this issue.

RVC said it had been left with no choice but to make the hard decision to cancel this week’s sales, following a decision by agents not to sign their selling permits.

**NRLX cattle sales cancelled**

Richmond Valley Council has been left with no choice but to make the hard decision to cancel next week’s sales at the Northern Rivers Livestock Exchange (NRLX) following the agents’ decision to not sign their selling permits.

At issue was the fees and charges structure, in particular a new business usage fee of $1 per head of cattle. Adjustments to the fees and charges in the 2017-2018 Revenue Policy, which came into effect on 1 July, were an important step to achieving improved results for the NRLX, to enable the business to fund the loan repayments and avoid any reliance on ratepayers’ funds.

No one likes a fee increase, however, Council needs to address not only the revenue side of the business, but also the cost side to the equation. Like in any other business, Council has to have the financial means to take care of the viability and longevity of this important sales venue.

Richmond Valley Mayor Robert Mustow said Council was disappointed at having to bring this news to its highly-valued beef farming community, and the many local and regional businesses which supported the beef industry.

However, Cr Mustow said without the increases repaying the loan and interest would require Council to draw on funds from ratepayers. He said Council's decision to implement the increased fees was made with the best interests of the whole Richmond Valley community in mind: “A fee structure had to be developed to ensure the NRLX operated as a self-sustaining business unit, with next to no reliance on ratepayer funds.”

Last year the Richmond Valley community made it clear that Council should retain ownership of the NRLX. This meant a number of changes for the facility. To upgrade, funding was needed. The Federal Government agreed to a $3.5 million co-contribution, meaning Council had to borrow $3.5 million to start stage one of the upgrade. Fortunately, the NSW Government has also come on board, promising $7 million to complete the $14 million project. By the end of next year, the NRLX will be recognised as one of the best saleyards in Australia with high standards of animal welfare, improved work health and safety conditions, quality effluent disposal, convenience for users, and efficient management systems.

NRLX throughput finished the 2016-2017 financial year 13.5 percent higher than the previous year. The $113,616,791 sales turnover year to date is a record result, up from $87,950,124 last year. This provides excellent returns for the region’s beef producers and businesses operating out of the NRLX, as well as delivering an important economic stimulus into the Richmond Valley local economy.

However, while recent operating results are favourable, the overall program result was a deficit of $687,614, which highlights the need to fund capital and operational expenses going forward.

**RAMSEY & BULMER**

We are writing to let you know that there will be not be a regular cattle sale held at the Casino saleyards next week the 23rd August.

Over the past few months, the Casino Auctioneers Association (which includes Ramsey & Bulmer, T&W McCormack, George & Fuhrmann, Ian Weir & Son and Ray White Rural) has been in negotiations with the Richmond Valley Council over a new fee structure for cattle sold in the saleyards.

If agreed to, the selling fees would have risen from $8.68 to $12.50 per head over a three year period. As these fees are paid by the vendors, the agents have refused to accept the Council's position which would have meant higher selling costs for you.

Agents pay an annual Selling Permit Fee to Council to be able to Market Livestock at this facility. The Council has proposed an increase of $1 per head to the fees charged for each head of cattle sold in the saleyards.

While the Council sees the fee increase as justified given the upgrade of the saleyards, the reality is that this upgrade is still over 12 months away from being completed. Until the upgrade is finished late next year, there is no benefit to any user of the saleyards and by insisting that you pay increased fees before the upgrade is completed is unfair.

The Council has now put the saleyards into "lockdown" and all scheduled sales have been cancelled until this issue is resolved.

We ask for your support as we work through this issue.

NEXT week's sales at the Northern Rivers Livestock Exchange (NRLX) has been cancelled following the agents' decision to not sign their selling permits.

Council's General Manager Vaughan Macdonald said at issue was the fees and charges structure, in particular a new business usage fee of $1 per head of cattle.

Mr Macdonald said the adjustments to the fees and charges in the 2017-2018 Revenue Policy, which came into effect on July 1, were an important step to achieving improved results for the NRLX, to enable the business to fund the loan repayments and avoid any reliance on ratepayers' funds.

He said no one liked a fee increase, however, Council needed to address not only the revenue side of the business, but also the cost side to the equation.

"Last year the Richmond Valley community made it clear that Council should retain ownership of the NRLX,” Mr Macdonald said.

"This meant a number of changes for the facility. To upgrade, funding was needed. The Federal Government agreed to a $3.5 million co-contribution, meaning Council had to borrow $3.5 million to start stage one of the upgrade. Fortunately, the NSW Government has also come on board, promising $7 million to complete the $14 million project.

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He said this provided excellent returns for the region's beef producers and businesses operating out of the NRLX, as well as delivering an important economic stimulus into the Richmond Valley local economy.

Richmond Valley Mayor Robert Mustow said Council was disappointed at having to bring this news.

However, Cr Mustow said without the increases repaying the loan and interest would require Council to draw on funds from ratepayers.

He said a study of other saleyards made it clear NRLX fees remained below industry standards.

"A fee structure had to be developed to ensure the NRLX operated as a self-sustaining business unit, with next to no reliance on ratepayer funds,” Cr Mustow said

It is not a good situation, they have been jamming us last few years  
Released an email making out agents are eating their own young

In a nutshell what they have done to us over ht elast few yers, they have been the cendor yard fees up from $8 to roughly $12.50 at the moment, all on the back of getting money and rebuyilding the saleyards

Up until 3 months ago no  work had been done

Now they have started they have pulled half the place apart and we have only got half the saleyard to work in

So they are getting full tote odds for the half a facility

They keep putting our sellin gfees up as agents and vendors and we're still in a third class facility

Our argument is when the show is complete built and everyone is happy stick us then

If you go and camp at a motel if it is under renovation you don't charge full tote odds do you

*﻿Agents are happy to increase fees to pay for upgrade once the upgrade is complete?*

Our vendors wil

I think $12.50 for a brand new show is somewhere where it s going to be

As  vendor myself I think i woiuld be happy enough to pay that with a brand new facility and my cattle are going to be presented right

But as far as an agent goes they yhave been out there sayign they have aligned themselves with industry standard, well hey are on the chrages side but not on the services side as such

I have quoted Dalby a thousand times, the charges are very very similar to Dalby to us, what they propose, but at Dalby the council provide the workforce that weight the cattle and delvier the cattle, in Casion the agents pay that workforce which last year cost us $350,000

SO we're already paying $3.40-$.350 a head before they propose this dollar a head increase for the agents

We're happy to pay the dollar if they take over the workforce, if they provide the workteam or drop the dollar and we continue the work team

Prime sale every Wednesday and generally speaking two store sales a money

Council has been gifted $10m grants in take payer money to upgrade yards,m and have borrowed $350,000 low interst loan which eventually has to be paid back

Essentially they are getting a $14m upgrade for $3.5m

*﻿So rather than do the work and then start charging agents and vendors, tehy are charging from teh start*

﻿My concerns is that they if they get this rise in now, they will rise again when it is complete, so it might go to $14, 15, 16 to sell your cattle there as well and the agent fee will go up as well

Upgrade will ahve a roof anda  asoft floor

We have had trouble with cattle getting sore feet here for a long time, and council has turned a blind eye to that. That in itself has cost agents a lot of money over last 10-15 yedars. it has got out of control

Every time in the last 18 months every time you turn around they want to charged you for something

Sting them to leave cattle for a day or two

People come and buy dog feed or grovceries or lunch in town - goes right throught own, people come from outside ti buy cattle they still shop here while they are in town

*﻿Think they'd go this far?*

﻿The last fornithgt the approach the council has had has been pretty tough, they have virtually put a gun to our head and say sign it or your out.

As agents we've said, if we sign it the way it is going we will probably be out of business anyway in a short period fo time, so why not stand and fight them now and see where it goes.

From their approach It doesn't surprse me they ahve done this, but I thought common sense woudl have prevailed by now.

At this stage it is definitely cancenlled, I have not heard from a member of the council or anybody since last Thursdayu, and until there is a contact, we can't work it out

*﻿if miss a few, danger vendors will go elsehwere and you won't get them back*

﻿Not one vendor knew their charges were increasing, as they are finding out what is going they are in behind us, and everybody understands they ahve got to sell cattle at some stge, a week maybe not to bad, maybe we ell get away with a fortnight

but as we go and it doesn't rain, it is pretty dry here at the moment and wintery looking so there is a few cattle still need to be showable

Restockers, We have abattoir here, other saleyards close, can rebsate tot hsoe agents

Whatever happens we still have a market for our cattle, they can still sell cattley, all they have to do is get in touch with us and we will find a market for them no problem,

No meeting planned to discuss