

Richmond  
Valley  
Council



# **SUPPLEMENTARY AGENDA**

## **Ordinary Council Meeting**

**Date: Tuesday, 19 September 2023**

**Time: 6pm**

**Location: Council Chambers  
10 Graham Place, Casino**

**Vaughan Macdonald  
General Manager**

**ORDER OF BUSINESS**

**5 MAYORAL MINUTES..... 3**  
5.1 Mayoral Minute - Northern Rivers Livestock Exchange ..... 3

## 5 MAYORAL MINUTES

### 5.1 MAYORAL MINUTE - NORTHERN RIVERS LIVESTOCK EXCHANGE

**Author: Robert Mustow**

#### RECOMMENDATION

That Council:

1. Receives and notes the Mayoral Minute – Northern Rivers Livestock Exchange.
2. Continues to work towards a long-term solution to ensure that the NRLX is financially sustainable and provides benefits to the whole community.

#### REPORT

The past 12 weeks have seen divisive and distressing times in our community, as former tenants of the NRLX continue their dispute with Council over the terms of new licence agreements. Since the public meeting in Casino on 4 September 2023, many locals have contacted me and my fellow councillors to make it clear to us exactly what our community wants.

They want our town to be respected again and they want our Council to get on with the business of leading flood recovery, fixing our roads and solving the housing crisis, rather than becoming embroiled in bitter disputes over who pays what at the cattle saleyards.

Tonight, I will ask my fellow Councillors and those in our community who are fed up with the situation of the past three months to finally draw a line in the sand. Later in this meeting, Councillors will consider a comprehensive report on future options for the NRLX that will provide a long-term solution for this facility.

I firstly want to address the motions of the Casino public meeting through this Mayoral Minute.

Over the past 12 weeks, there has been a lot of confusion over what this debate is all about, but it is really quite simple. On one side we have a Council who has acted in good faith to invest in the future of the NRLX, source the \$15m required to upgrade this facility and provide the expertise to lift our local saleyards to one of the best operations in the State. All this has occurred despite ongoing difficulties with safety compliance, animal welfare issues and frequent disputes about fees and charges. This is not the first time this facility has seen sales suspended over a fee dispute.

On the other side of this debate, we have a group of local businesses seeking to maximise their returns from the continued use of this facility. Throughout this dispute, they have made it clear in media statements that they want to pay less and retain delivery operations at the NRLX.

In the middle of this tug-of-war there are 10,000 Richmond Valley ratepayers who continue to subsidise the operating costs of this multi-million-dollar business, to the equivalent of \$60 for every rateable property, each year.

It's time for this to stop, and for those who benefit directly from the NRLX to pay their fair share.

While much of the public comment over the past few months has focused on what council should or shouldn't be doing about the NRLX, it has missed the reality of what we have actually been doing:

And that is getting on with the job we were elected to do. Over the past 12 weeks, this Council has:

- Secured commitments and finalised government funding deeds for more than \$26m in flood mitigation works for our Mid Richmond communities, including replacing and raising the Tatham Bridges and fixing long-term issues at Dairy Flat and Thearles Canal that have kept communities isolated after floods.

- Completed a major new flood study for the Richmond Valley, that will help to provide certainty on safe places for housing. We will adopt that study tonight.
- Completed a major upgrade of the Casino swimming pool for the benefit of the whole community.
- Adopted a new plan that will deliver more than 2000 new homes and jobs for the Richmond Valley over the next 20 years, and
- Secured over \$10m in Disaster Relief Funding to finally fix the major landslip at Naughton's Gap.

We will award that tender tonight.

But all this seems to have been forgotten in the ongoing public debate over whether it should cost 0.2% or a \$1 per head to sell a cow.

### **Motions of the public meeting**

The Casino public meeting called for Council to disregard its new licensing agreement and allow the stock and station agencies who formerly traded at the NRLX to walk back in under the old agreement and ultimately take control of the facility.

I'm sure many people would like to dictate to their landlord how much they are prepared to pay in rent and which conditions of their lease they are willing to comply with, but that's not how it works in residential or commercial tenancies, particularly when the commercial facilities are managed by government.

Governments, including local councils, cannot simply ignore their own policies and regulations to do special deals with private business, at the exclusion of others. Everyone must be treated the same, with the same commercial opportunities for the use of public facilities. Council conducted a professional and transparent procurement process to award its new licence agreements for the NRLX. It advertised its proposed pricing structure twice, with 60 days for public comment. It negotiated, in good faith, on more than seven occasions to resolve concerns with licence conditions, but all to no avail.

Council introduced the new NRLX business plan and licensing agreement because we knew that things had to change at this facility. We cannot turn a blind eye to ongoing safety and animal welfare concerns at the NRLX. This is a modern facility and everyone, including Council, needs to work towards achieving the highest standards. Unfortunately, there have been serious incidents occurring at the NRLX, some requiring police or RSPCA involvement and all in breach of a range of NSW legislation, animal welfare standards and requirements of a modern saleyard. None of these serious incidents involved council employees, and all of them have been documented, with some recorded on CCTV. NSW Work Health and Safety legislation is very clear that Council, as the owner and operator of the NRLX, is responsible for safety at this facility. Apart from the serious risk of death or injury to workers, or members of the public, we also face potential prison sentences of up to five years and fines of up to \$3.8m for not upholding Council's duty of care. Our community cannot take this risk. That is why Council is changing operations at the NRLX and why we cannot compromise on this issue. What has occurred in the past will not be accepted in the future.

In this regard, we will not accept the demands of **Motion 1** of the public meeting. Council has been attempting to negotiate in good faith and has received no details despite numerous requests. We cannot move forward when others are not prepared to do the same.

Our meeting tonight will consider a way forward.

**Motion 2** will depend on the outcome of Item 14.1 in this evening's Agenda.

**Motion 3** includes the wording "that for the next 14 days from this meeting, Richmond Valley Council and Agents meet and negotiate in good faith to resolve this dispute".

Following the community meeting, representatives of the agents continued to issue public statements that key components of the agreement were "non-negotiable". How can negotiations in good faith be achieved in these circumstances? The recommendation also read "if after 90 days from the date of this meeting the dispute has not been resolved, the matter be referred to the

Minister for Local Government, the Minister for Small Business and the Ombudsman to arbitrate". Council has no concerns with this issue being referred to Ministers, the Ombudsman or other Government oversight agencies, as we have been through an open and transparent process in line with Government requirements.

**Motion 4** called for an Extraordinary meeting of Council to resolve the issue. That is what we will be doing tonight – responding to the community's urgent call for a resolution and deciding on the future management of this facility.

**Motions 5 and 6** of the public meeting seek to dictate to Council how it should run its business operations at the NRLX, to whom it should provide commercial benefit, what it should charge and whom it should employ. This appears to miss the essential point that Council is the owner and operator of this business. As such, it is responsible to all ratepayers for ensuring that the NRLX achieves at least a break-even financial result. At present, it doesn't.

It costs \$2.6m to operate this facility each year, to pay for wages, services and compliance requirements, pay off a loan and interest and set money aside for maintenance and renewals, as we are required to do under government accounting standards. This business currently operates at a deficit – which means it is being subsidised by Richmond Valley ratepayers, many of whom do not use its services. Council cannot allow this to happen. We are required to ensure competitive neutrality in our business operations. That means, no cross-subsidisation by the community.

Having attended the recent Casino public meeting, with my fellow Councillors and the General Manager, I found motion 6 - *"That Richmond Valley Council cancel the contracts and/or employment of management staff at NRLX"* - the most personally disappointing of all. Throughout this dispute, we have seen continued personal abuse and defamatory comments about Council staff who are simply doing the job they were employed to do – and doing it to an ethical and professional standard.

I am immensely proud of all our Council staff, particularly those at the NRLX. Council staff are part of our community and they deserve our respect for the work they do every day, and their willingness to stand side by side with our community in difficult times and natural disasters.

During both fire and flood the NRLX was a centralised safe haven for livestock and the NRLX team led by example working tirelessly with Local Land Services and the Rural Crime Squad in the identification and return of livestock. Following the 2022 floods the NRLX played a pivotal role in identifying, processing and returning in excess of 1500 head, while a further 3000 head had transited or used the facility as temporary housing following the flood events.

How soon we forget the good will and service of others when commercial interests cloud the debate.

Tonight, I ask my fellow Councillors to join with me in bringing this stalemate to an end. The bitterness and accusations have gone on for far too long. It is time to move forward and find a solution that allows sales to return to the NRLX as soon as possible and secures its long-term future.

## **ATTACHMENT(S)**

**Nil**