

NORTHAM SALEYARDS RELOCATION

230. Hon MURRAY CRIDDLE to the Minister for Agriculture, Forestry and Fisheries:

Northam's saleyards relocation committee has indicated a move towards building sheep yards at Northam.

- (1) What impact will this have on the Government's Muchea proposal?
- (2) Has there been a substantial business plan supporting the viability of Muchea?
- (3) Would a capital facility at Muchea be viable without sheep, or has another site been considered?
- (4) Does the minister have any indication from eastern wheatbelt farmers as to their preference for a sheep-selling complex?

Hon KIM CHANCE replied:

I thank Hon Murray Criddle for some notice of the question.

- (1) Should a sheep saleyard be established in Northam, it is likely that sheep numbers would be diverted from both the Katanning sheep saleyards and the proposed saleyard at Muchea. Logically, this would impact on the business performance of all three saleyards. However, I understand that the Northam saleyards relocation committee's proposal relies heavily on state government funding. Previous submissions to me from this body have requested 50 per cent funding from the State. No state funding is available for the Northam saleyards relocation committee's proposal.
- (2) The Western Australian Meat Industry Authority undertook comprehensive pre-feasibility planning prior to the Government's approval to relocate the Midland saleyard to the Muchea area. The authority is progressing with detailed planning, and the relocation process will be monitored by senior government officers reporting to me. I expect a new facility will be completed by the end of 2006. The decision followed an extensive evaluation and consultation period, during which a range of location options, including both Northam and Moora, were assessed. For a combined sheep and cattle facility, the Northam and Muchea locations are competitive from a cost-benefit perspective. However, the Muchea location is favoured by the overwhelming majority of the industry and should not adversely affect its existing major saleyards.
- (3) The Government has endorsed progress towards establishing a combined sheep and cattle facility at Muchea. The review of saleyard options by the Department of Agriculture in May 2002 identified that split cattle and sheep facilities could provide lower operating costs if transport costs alone were considered. However, it was also identified that these would be offset by efficiencies from the establishment and operation of a single multi-species facility. This point was reinforced by private sector interests who responded last year to the Government's request for interest in establishing replacement facilities. I see no benefit in further considering single species livestock saleyards as a replacement for the ageing facilities at Midland.
- (4) The decision to relocate to Muchea was widely reported in the rural press late last year, and I directly informed key interests such as the Northam saleyards relocation committee. I have since been petitioned by a number of eastern wheatbelt farmers - in the order of 250 - who completed a pro forma petition that was developed by the Northam saleyards relocation committee and distributed by some wheatbelt shires. The petitioners support the location of new livestock saleyards at Northam and have requested that the Government reconsider its decision to establish replacement saleyards at Muchea. Conversely, there has been continued support for the Muchea location from a wide cross-section of the sheep and cattle industries, including agents, transporters, other saleyard operators and producer groups. Furthermore, peak industry bodies have continued to support the Muchea location and are anxious to see specific site selection and construction proceed as soon as possible.