



# The South-West Victorian Livestock Exchange

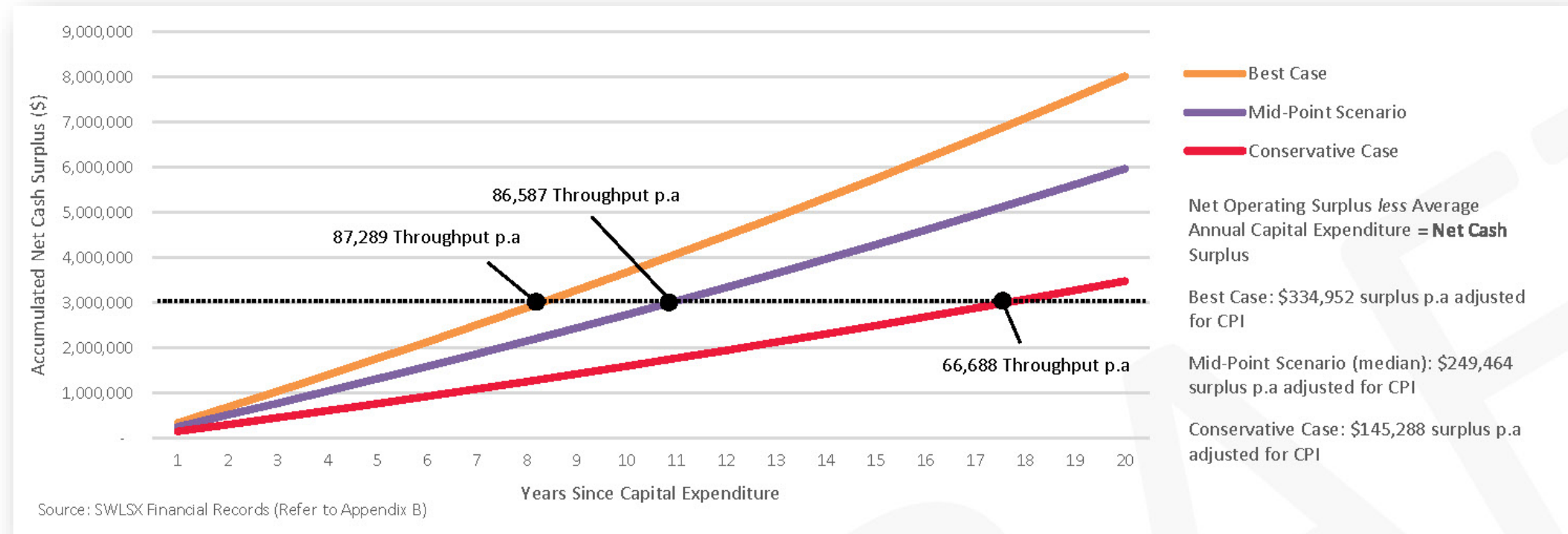
(Warrnambool Saleyards)

## Investment and payback period

For ongoing operations of the saleyards, Council needs to invest \$5.6 million in capital expenditure.

A 2021 analysis of the capital expenditure in the saleyards found that a \$3 million investment could take eight to 17 years to recoup depending on financing arrangements and the number of cattle sold through the yards.

# Forecast of time to recoup capital expenditure



# The alternative selling centre - Mortlake

The analysis also found that competition from saleyards at Mortlake and Ballarat posed a greater threat to the Warrnambool saleyards than throughput requirements.

# Other factors to consider

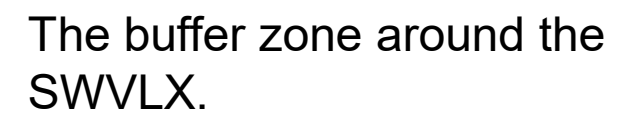
Should Council invest in a commercial operation for which there is a nearby privately owned alternative?

Do the saleyards have a long-term future in this location? There is now residential development to the west, east and north-east of the saleyards – although there remains a large buffer around the saleyards.

Where should this sit with other Council projects such as an upgrade of AquaZone, the establishment of a new community hub at Brierly Reserve and other much needed roadworks and infrastructure upgrades?

# Options for closure

- Immediate closure – No further investments except for normal expenditures associated with closure, which will need to be accounted for whenever the saleyards close
- Transitional closure - \$160,000 in fencing and a further \$160,000 in roadworks investment required to be compliant with WorkSafe Victoria requirements



The buffer zone around the SWVLX.