

TATE DAIRY BUSINESS

DISTURBANCE ISSUES RELATED TO LAND ACQUISITION BY RMS

RE: ALBION PARK RAIL BYPASS

SEPTEMBER 2017- CYCLE PATH IMPACT

1. Background

Since 2015 several reports have been completed by OMJ Agricultural Consulting Pty Ltd regarding the physical and financial impacts of the RMS land acquisition on this very profitable business.

Various future models of the business have been investigated. At all stages it has been emphasised that a critical aspect is the ability to graze lactating dairy cows on pasture. It reduces the amount of externally purchased feed and hence lowers the cost of production. There is a fine balance between the amount of purchased feed (grain and hay) and use of available pasture to achieve optimum profit.

In all future models considered so far, based on plans provided by RMS, it was assumed that the milking herd would have direct, unimpeded access to the areas known as Johnston's and Matatko's. Any restriction to these areas, particularly in relation to the milking herd, will impact on the business and hence vary disturbance claims previously assessed.

2. New RMS Proposal

On plans recently provided to the Tates by RMS it would now appear that there is a proposal to construct a bicycle track in association with the highway works. It will follow the existing Illawarra Highway then curve around and end up on Tongarra Road.

This means that there are three sites where stock movement will intersect with the bicycle path. Two are either side of Frazer's Creek and the third is at the site of the proposed underpass to enable cattle movement to Johnston's and Matatkos'.

The crossings either side of Frazer's Creek would mainly be used for non-lactating cows and young stock but the proposed underpass would be used by over 600 milking cows.

The availability of an underpass (even an inadequate one of only 3 m wide as currently proposed) usable by cattle means that the milking herd can have access to pasture on the west side of the highway twice a day, at regular intervals ranging from 14 days to 28 days depending upon pasture growth rates during the year. This movement requires minimal observation and management.

The proposed bicycle path will have a major impact on the ability to move stock to the western side of the property. In particular the characteristics of a milking herd mean that what was a simple unimpeded operation may at best be complex and at worst not able to be achieved with a loss of these areas to the milking herd.

There is a very significant difference between the occasional crossing of dry stock and the frequent and continuous nature of a large milking herd crossing an amenity path.

Previous observations by the author of this report would suggest that conflict will arise and the ability to herd milking cows over the bicycle path will ultimately be removed. This will impact significantly on the stocking rate and business model.

3. Existing sites

Example One

The photos below refer to a 300 cow herd milked year round at Wonthaggi in South Gippsland. Wonthaggi is situated 132 km south east of Melbourne, and has a population of 4,354 people.

A derelict railway line, over which the milking herd frequently moved unimpeded, was converted to a rail trail for use by walkers and cyclists. The grazing area of the farm is 130 ha with 32 ha over the rail trail.

The approaching track is 4.5 metres wide and the cow flow across the path is 4.5 metres wide. Despite this, the herd can take 10-15 minutes to pass over the concrete path.



Gate on cattle track –
back from crossing



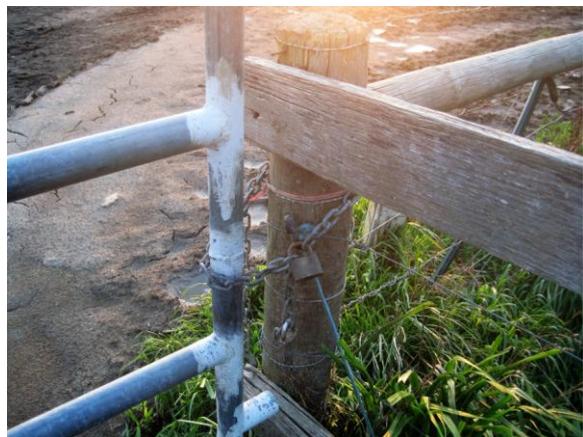
Access gate for cyclists and walkers

Gates open for herd crossing
– view from bicycle path



View from cattle track – note
manure build up

Security is required



Since the rail trail was constructed, the issues that have arisen include:

- Regular complaints to the Bass Coast Shire by walkers and cyclists regarding manure on the crossing. The crossing area was originally gravel but had to be concreted to enable cleaning.
- Gates being opened by rail trail users - hence the need for padlocks.
- A reduced grazing frequency by the milking herd on the non-dairy side of the property. This is particularly the case on weekends, which is the peak rail trail usage period.
- Cyclists slipping in manure and being dislodged from their bikes.
- Occasional "spooking"/hesitation of cows crossing the rail trail resulting in additional time. People standing watching the herd approach - if cows are not used to this then they will simply stop.

There are other grazing properties along this rail trail that operate harmoniously with the rail trail users. However, all of those do NOT have a lactating dairy herd, where frequent, intensive and slow crossings occur, interrupting users of the rail trail and also introducing large amounts of manure.

The owner of this dairy business is currently investigating the possibility of an underpass for his herd to eliminate what has become a costly and unpleasant intrusion to his business.

Considering that the herd size on the Tate farm is double this farm, the access underpass narrower and the human population in the surrounding district higher, the potential for conflict and cost impact on the Tate business is obvious.

Example 2

The photos below relate to a situation on a 52.2 ha grazing property (not dairy) which was dissected by the Peninsular Link Freeway on the Mornington Peninsula in Victoria. The Freeway Authority decided to not allow stock movement under the bridge area across the bicycle path from the 32.5 Ha section to the 19.7 Hectare section because of the issues and conflict that could arise in what is an urban area. This has resulted in a very significant loss of ability to farm the 19.7 ha area furthest from the house and farm facilities.



Bike path



Area under Peninsula Link bridge

The physical impacts of bike paths on stock movement are clear; ultimately there will be conflict and the most likely resolution will be restrictions on the movement of the milking herd.

4. Financial impact

If the cycle path proceeds then there are two possible outcomes:

- The herd movement over the cycle path occurs on a regular basis. This will increase the time by paid staff to manage and move the herd plus all the associated issues which arise. This can be quantified from previous case studies and a current value based on a 20 year future calculated. In practical terms this outcome is highly unlikely.
- The issues and conflict which arise will lead the herd not to be grazed on the western side of the highway.
 - At present 14.5 Hectares of Johnston's and 3 Hectares of Matatko's has been allocated as milking herd grazing area.
 - At a stocking rate of 3.3 cows per hectare, this means 58 less milking cows, each with an annual operating surplus of \$1,878 based on 2016/2017 performance data.
 - This equates to \$108,454 per year less as a result of the most recent change to the RMS plans.
 - This would have to be annualised and incorporated into an overall disturbance claim.

The proposed siting of a bicycle path can only result in cost to the Tate business or conflict with users, most likely both.

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