SOTICO PTY LTD, RESPONSE TO RESTRUCTURE

71.   Hon DERRICK TOMLINSON to the Minister for Forestry and Fisheries:

(1)   Has the minister's department responded to the press release of Sotico Pty Ltd indicating that it will restructure its milling and processing operations by mid 2004, that that restructuring will reduce its employment level by 400 persons and that those 400 persons will be distributed over the towns mentioned in the press release - namely, Manjimup, Pemberton, Yarloop and Collie?

(2)   Does the Government have a response to soften the consequences of unemployment in those communities?

Hon KIM CHANCE replied:

I thank the member for his question.

(1)-(2)   I took that question to mean a public response. Certainly, a response has been given by the Minister for the Environment and Heritage and me. Although we are awaiting the final details, in that response we acknowledge that the Sotico position is consistent with government policy. We acknowledge the issue that has been raised addressing the number of job losses, which has been published in *The West Australian* and, I think, in other journals - that is, that those job losses will be in those towns named. We should also add that those job losses will extend to Welshpool.

Our administrative response is reasonably well known in that it includes the three factors I mentioned in question time yesterday. The business exit allowance, the package to assist workers who are disadvantaged by the change and the investment attraction program all form part of the $57 million adjustment package. The specifics of the worker assistance package are still being negotiated. At this stage those negotiations are being conducted by the Department of Productivity and Labour Relations with the Construction, Forestry, Mining and Energy Union, which in the main represents workers at Welshpool, and the Australian Workers Union, which represents workers on other sites.