

MANJIMUP APPLE EXPORT SYNDICATE LTD, CLOSURE

**Hon BARRY HOUSE to the Minister for Agriculture, Forestry and Fisheries:**

The minister is no doubt aware that the Manjimup community suffered yet another body blow today when Manjimup Apple Export Syndicate Ltd closed its doors.

- (1) Was the minister aware of this impending closure?
- (2) Given that the peak processing period for apples and potatoes in particular is over the next three months, is the Government involved in negotiations about the future; and, given the Government's continued neglect of the Manjimup community since elected, what does the minister intend to do to assist this valuable south west industry? Given the minister's previous avowed support for two other failures - Ansett Australia Ltd and the gay and lesbian legislation - will he confirm that he is flying to Sydney with Ansett this weekend to take part in the Gay and Lesbian Mardi Gras?

**Hon KIM CHANCE replied:**

I thank Hon Barry House for his important but amusing question.

- (1)-(2) First, I address the question of whether the business concern has closed its doors. I do not know that that is the case. My understanding from media reports today is that the former Manjimup Syndicate Coolstores Ltd is operating under voluntary administration. It may be that that was improperly reported, but I have had no communication today from the Minister for State Development to correct that. It seems to me from media reports that the business has not closed but is operating under voluntary administration. That may be incorrect, but media reports indicate that. I became aware of the difficulties formally on Saturday last, when the Minister for State Development discussed the matter with the Minister for Local Government and Regional Development, Hon Tom Stephens, and me. The purpose of the discussion was to enable us to call our respective chief executive officers in order to determine that the course of action proposed by the Minister for State Development was not one that would conflict with action our departments may have taken. I was made aware informally about two days before that, on the Wednesday or Thursday, that the company was experiencing some difficulties. At that stage no immediate action was indicated.

The member asked whether the Government was involved in the future of the company and what it intended to do. The Minister for State Development released a media statement today. I regret that I do not have a copy with me. I have organised for a copy of that statement to be sent to the office of Hon Robyn McSweeney in Albany as she raised the matter in question time yesterday. Not having a copy in front of me, I am reluctant to quote from the statement. I understand that the Government proposes to provide assistance to the order of \$1.5 million through two separate propositions. The propositions relate to assistance that may be provided to attract a new buyer. Although discussions have taken place with the current owner, the proposals may not have been acceptable to creditors. I cannot go into the matter in great detail. It is something that should more properly be put to the Minister for State Development. The broad answer to the question is that the Government proposes firm action and the value of that is \$1.5 million.

The member asked how it will impact on potato and apple growers. It should not impact unduly on potato growers, given the large number of agents and processors who are available as an alternative. It is a particular problem for apple producers as we are on the cusp of the apple harvest. The Department of Agriculture advises me that there are at least two other processors who, with enough warning, will be able to pick up the marketing of the crop in the event that the company ceases to operate, notwithstanding the voluntary administration process. If the company is under voluntary administration it ought to be able to handle the crop.

I cannot add much more to that without providing information that may be to the detriment of the company. The Government and I are extremely concerned about the loss of jobs that could be involved. That is the principal reason the Government has stepped in very early with an offer of assistance in the hope that it can save the company's operations.

[See paper No 1240.]