

PINETEC LTD, FINANCIAL ASSISTANCE

1361. Mr M.P. MURRAY to the Minister for State Development:

I refer the minister to his media statement of 25 November in which he announced that the Gallop Government would offer financial assistance to Pinetec Ltd to create new jobs and opportunities in Collie.

- (1) What is the nature of the financial assistance offered by the Gallop Government?
- (2) If Pinetec accepts the State Government's offer and establishes in Collie, what direct and indirect benefits will the project deliver to Collie?

Mr C.M. BROWN replied:

- (1)-(2) I thank the member for Collie for his question, and for the enormous amount of work he has done in seeking to have new businesses commence in Collie. I indicated earlier this year by way of a media statement that the Government is very supportive of Pinetec Ltd commencing operations in Collie. There has been in this House previously quite significant support for that company, particularly to assist it to commence operations in regional Western Australia. Earlier this year Pinetec Ltd made an application for assistance to the tune of \$2 million. It was proposed by the State at that stage that the State make a contribution of \$1 million and the Commonwealth make a contribution of \$1 million to assist the company to locate its new operations to the south west. The company made representations to the Australian Government to match the contribution made by the State Government, but unfortunately, once again, that contribution was not forthcoming. As a consequence, we had a choice to make: either not provide the additional finance and not have the company establish in Collie in the south west; or provide that additional finance. Faced with that choice, we decided in favour of the latter; that is, to assist the company to commence its operations in Collie.

Mr M.W. Trenorden: How much finance was the company seeking?

Mr C.M. BROWN: It was \$2 million.

Mr M.W. Trenorden: You got my bid.

Mr C.M. BROWN: I know, and I thank the Leader of the National Party for that. It is disappointing that we were unable to get support from the Australian Government. The Pinetec Ltd operations will create 45 full-time jobs and attendant flow-on jobs in Collie. As part of the financial assistance agreement, Pinetec Ltd, in commencing its new operations, has agreed to maximise its use of Western Australian content. It will also link with Western Power by providing offcuts to be used by Western Power as a renewable energy resource. This is a great project for Collie. It was strongly advocated for and supported by the member for Collie all the way through. At the end of the day, it was also a project supported by the Gallop Labor Government.

Government members: Hear, hear!