

POTATO MARKETING CORPORATION — LEGAL PROCEEDINGS

253. Hon COLIN HOLT to the Minister for Agriculture and Food:

I refer to the Premier's answer to question without notice 239 and to his decision to cease a damages claim on behalf of the potato industry against Mr Tony Galati.

- (1) Will the state government compensate the industry for costs already incurred by the industry for the legal action?
- (2) Will the state government now return all industry funds held in trust on behalf of the potato growers for the purpose of civil action?

Hon ALANNAH MacTIERNAN replied:

- (1)–(2) I thank the member for the question. The government is trying to get to the bottom of exactly how this fund operates. I can say that a very substantial amount of money from the fund that was created on the wind-up of the Potato Marketing Corporation was transferred, I understand, at the direction of the former body to Kott Gunning in legal fees. I understand that a significant amount of that, in excess of \$500 000, has now been returned to the Department of Agriculture and Food Western Australia fund. As I understand it, although I have yet to have this confirmed in writing, there is a distribution mechanism for that fund back to the growers who contributed to the fund. Ongoing discussions are underway with the Attorney General about how we might deal with the \$200 000 in costs that were awarded against either Mr Galati or Galati Nominees Pty Ltd in respect of the contempt action. The government is having discussions about how that would best and most fairly be dealt with.