

POTATO MARKETING CORPORATION — LEGAL PROCEEDINGS

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

I refer to question without notice 422 and the distribution of funds back to potato growers.

- (1) Is the minister aware that growers have received legal advice that they should not sign the deed of distribution?
- (2) If growers do not sign the deed of distribution, how will the government return the potato growers' own funds?

Hon ALANNAH MacTIERNAN replied:

- (1)–(2) I thank the member wholeheartedly for this question, because this is an issue that deeply concerns me. I am very concerned that the Potato Growers Association of Western Australia has seen fit once again to put money into a legal process, funding yet another law firm, and I expressed those concerns to Mr Simon Moltoni. One day the true story, the full story, will come out about what has happened with this organisation. On the contempt proceedings alone, out of which there could have been no grant of damages to the potato growers, the association has spent over \$1 million in legal fees, with a prospect of only ever getting back a fraction, 25 per cent or 30 per cent, of that money that these growers put in through the Potato Marketing Corporation of Western Australia. I say to the association that I think what is happening here is consistent with the practice we have seen over the last couple of years. There has been a great readiness to get all these lawyers on board, clipping the ticket—senior counsel, junior counsel, Kott Gunning, another law firm altogether—with them all coming in and putting their paws into the honey pot of what was the Potato Marketing Corporation.

On 1 January those funds became the funds of the Department of Agriculture and Food. We decided that we were not going to proceed any further, and I believe, from letters that I have here, that had the Barnett government been returned to power, it would have been likely to come to the same decision that it was time to draw a line under this to prevent these actions being taken further. We got back what money we were able to salvage and put our costs on. There is no basis for legal action against the state. The potato growers, once again, are being led up the garden path by the Potato Growers Association, which seems to have absolute penchant and love for law firms, and loves nothing more than spending the hard-earned money of those potato growers on legal fees. I am quite happy to call a forum of the growers, meet with them face to face and assure them that this is absolutely in their best interests. In my opinion, that legal advice was really wrong. It is the state government's money. I believe that morally it must go back to the potato growers, but legally it is the money of the state government. We want to get it back. We want to draw a line under this matter. The idea that now the Potato Growers Association might be raising yet another legal case with yet another law firm to get its paws into the growers' money I find despicable.