



## PRIME MINISTER

FOR PRESS

10 MARCH 1978

### THE BROOKLYN ABBATOIR

The Prime Minister, Mr Fraser, and the Premier of Victoria, Mr Hamer, today announced that their respective governments had agreed to guarantee a commercial borrowing by Cooperative Farmers and Graziers Direct Meat Supply Ltd. (C.F.&G), of \$9 million. The guarantee is to be provided on a 50-50 basis by the two governments.

The guarantee will enable C.F. & G. to raise a commercial loan of \$9 million which, together with other funds, will enable the Cooperative's creditors to be paid.

C.F. & G. has been in the hands of the Receiver since 1975. The Brooklyn Abbatoir, its principal asset, is in the process of being sold.

The Directors of C.F. & G. have indicated that with the aid of the guarantee they will oppose the sanctioning of the proposed sale by the Supreme Court of Victoria.

The Cooperative is presently trading profitably and neither Government thought it desirable that it should be forced to go into liquidation. Both Governments are confident that the Cooperative will continue to trade profitably and will trade itself out of its past problems.

The Brooklyn works is one of the largest and most modern in Australia. Both Governments are anxious that it continues to operate profitably and in the overall interests of the industry.

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