

Western Cape Government meets Tiger Brands about fruit canning factory closure

Western Cape premier, Alan Winde, the provincial minister of agriculture, Ivan Meyer, as well as provincial minister of finance and economic opportunities, Mireille Wenger, along with various other stakeholders, including Wesgro have met with executives from Tiger Brands to receive an update on the future of the company's Langeberg and Ashton fruit canning plant.



Source: jaymethunt via pixabay.com

The facility – one of the largest of its kind in Africa - is facing possible closure; and were this to happen more than 4,000 jobs would be lost.

"For the Western Cape Government, ensuring economic growth and job creation is a top priority, and so we have been in regular contact on this matter. This was my second meeting with Tiger Brands, and Wesgro has been in constant contact with them, with the aim of finding a lasting solution," emphasised Winde.



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During the meeting, the Western Cape Government learned that a process is underway to sell the business so that its operations could continue, and we welcome the news that there are now interested parties engaging with the company. Tiger Brands also made an appeal to other interested parties to come forward.

While being informed the process to secure potential buyers for the plant is ongoing, the premier and his ministers were

also told Tiger Brands wants potential buyers to demonstrate that they have sufficient working capital to keep the cannery operating as a going concern.

Sustaining employment

At the meeting, Mary-Jane Morifi, Tiger Brands' chief corporate affairs, and sustainability officer gave the assurance: "Tiger Brands continues to proactively engage with parties interested in acquiring the Langeberg and Ashton business."

She added It is in the interest of all parties that the business is disposed of in a responsible manner and ensure ongoing operations will sustain the employment of permanent and seasonal employees.

Morifi went on to say: "The efforts to facilitate the preservation of jobs include an offer by Tiger Brands to provide 'level of vendor' and a guaranteed offtake if the Growers Consortium was able to raise the necessary funding to continue to operate the business as a going concern. However, the Consortium has not been successful, so far, in raising this required funding."

Meyer gave his assurance: "The Western Cape Department of Agriculture is working closely with organised agriculture, other national departments, and key stakeholders to support the agri-processing sub-sector and jobs in the Western Cape. For this reason, we met today with Tiger Brands to consider options to save jobs in the Ashton Area.



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He added: "I have also written to the National Minister of Agriculture Rural Development and Land Reform, Thoko Didiza, requesting her support in line with the National Department of Agriculture's Agro-Processing Master Plan. Agriculture's Agro-Processing Master Plan is one of the seven priority plans identified by President Ramaphosa as part of key economic sectors essential for the economic reconstruction and recovery during and post the Covid-19 pandemic.

Meyer said" "We will regularly communicate updates on the processes of seeking possible investors to save jobs in the Ashton area."

Wenger also noted the importance of keeping the facility operational, saying: "We are fully aware of the significant role that the factory plays in the region, in terms of job creation along the entire supply chain. Our official tourism, trade, and investment promotion agency, Wesgro, has been actively involved in discussions with the relevant parties and we continue to facilitate talks and engage with all stakeholders so that we can come to the best solution."

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