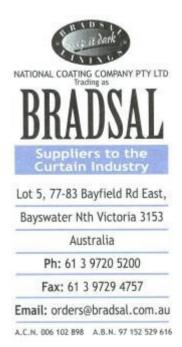
## 25<sup>th</sup> March 2003

TCF Inquiry
Productivity Commission
PO Box 80
Belconnen ACT 2616



Dear Sir/Madam

Re: Productivity Commission Inquiry
- Post 2005 TCF Assistance

The SIP Grant is viewed by our Company as a marvelous contribution to our industry. By encouraging business to invest in new state of the art machinery in addition to developing research and development, the government has aided those within the industry to become more competitive with the various offshore competitors.

Unfortunately I believe the administration of the SIP scheme has hamstrung its own development. The 200K minimum expenditure and the fact that funding of the various projects must be paid for prior to the claim being lodged have ensured that the number of recipients to the scheme is limited.

Having noted the above, I must say that the scheme has given those textile companies whom are eligible and can afford to participate a "leg-up" to competing with our overseas competitors. However, some may say that it is too little to late.

My suggestion is that if the scheme were continued for a further 3-5 years, then this would further consolidate the development of our once "tired" industry. This continuance would further enable the introduction state of the art development.

Australia once lagged behind the rest of the world due to several decades of acquiring second hand British machinery and merely copying tried and tested offshore products. I believe you would agree that we can now more recently see the emergence of new and exciting Australian ingenuity in both ideas and new products. Also certain Australian markets are now becoming more recognized for quality and value. However, this may not necessarily continue with the completion of the SIP Scheme in 2005. Further investment into our industry of this nature will help secure our industry's longevity into our various world markets.

Again I commend you on this fantastic scheme. But I implore you to strongly consider its extension so as to aid/help Australian companies to help themselves in warding off various Chinese and Pakistani alternatives funded by cheap labour or US products aided by hidden Government support.

I have deliberately kept my submission short and to the point. I hope you consider its merits favorably.

Regards,

Barri Trotter CEO National Coating Company Pty Ltd Trading as Bradsal