



17 June 2003

*Please quote our reference in your reply*  
Our Ref: EC/04/001 FU:sm

Bill Henderson  
Productivity Commission  
PO BOX 80  
BELCONNEN ACT 2616

Dear Bill

**SUBMISSIONS TO PRODUCTIVITY COMMISSION INQUIRY INTO THE  
TEXTILES CLOTHING AND FOOTWEAR INDUSTRY**

On behalf of the Mitchell Shire Council, I write in strong support of the Victorian Government's position on the implementation of an assistance package to the Textile Clothing and Footwear (TCF) industry.

The assistance package, as put forward to the Productivity Commission, incorporates the following key policy issues:

- supporting labour market adjustment
- maintaining a critical mass of the manufacturing base
- improving export market access
- providing incentives for increased innovation and R&D
- developing a highly skilled and collaborative workforce
- encouraging inter-firm collaboration

Furthermore, the Victorian Government will be making a submission emphasising the importance of the continuation of the Strategic Investment Program, or similar replacement program.

In contrast, the Productivity Commission's Position Paper suggests:

- the progressive reduction of all TCF tariffs to 5 per cent by 2015
- the phasing out of the Strategic Investment Program by 2013

The TCF sector is a significant employer in the Mitchell Shire and Council is of the opinion that the above recommendations are necessary. In recent years, the region has suffered the closure of a number of TCF manufacturing sites with much of the workforce unable to secure comparable local work.

I fear that should the Productivity Commission's preferred position be adopted, further significant job losses will ensue. Indeed some estimates place the expected figure at over 50 local job losses, both directly in the TCF sector and in flow-on, which would have an enormous impact on our regional community.

Mitchell Shire Council urges the Productivity Commission to duly consider the proposal of the Victorian Government, which we believe will adequately address the immediate and ongoing impacts of TCF industry restructuring.

Yours faithfully



**CR FAYE URE, MAYOR**  
**MITCHELL SHIRE COUNCIL**

CC Ben Hardman, Member for Seymour  
The Hon. Tim Holding MP  
The Hon. Fran Bailey MP  
All Councillors