

10th May 2002

Mr Philip L Weickhardt
Associate Commissioner
Productivity Council
Locked Bag 2
Collins Street East
MELBOURNE VIC 8003

Dear Philip

As a follow up to our discussion in Geelong on 4th April 2002, I felt it was worthwhile revisiting some of the key issues from Austrim Nylex's perspective.

Austrim Nylex has sales of over \$500 million in Automotive products operating out of 14 Companies and 22 locations providing employment for nearly 3,000 Australians.

These companies include:

Ajax Fasteners	Vic/China	Fasteners
Facil	Vic/SA	Fastener Full Service Supplier
DC Ross	New Zealand	Precision Engineers, Toolmakers and Fine Blankers
Hendersons	Vic/SA	Seating Components
Marsden McGain	Vic	Fluid Transfer Systems
Exacto Plastics	SA	Plastic componentry and Plastic Fuel Tanks
Nylex – Huntingdale	Vic	Under hood plastic parts
Nylex – Frankston	Vic	Door Trims
Empire Rubber	Vic	Anti Vibration and Sealing Systems
Mills Elastomers	Vic	Sealing and Injection Moulding
Australian Controls	Vic	Spark Park Leads
Melded Fabrics and Kennon	Vic/Qld/NSW/WA/SA	Carpet, Car Mats and Moulded Carpet
Woodbridge Henderson's	Vic/SA	Seat Foam and Energy Absorbing

Austrim Nylex strongly supports the submission of the Federation of Automotive Products Manufacturers.

The product ranges that our companies offer require significant investment in Research and Development to enable us to provide innovative product and processes to compete with high quality global offers.

In addition some of our companies export innovative and competitive product to overseas markets and it will be increasingly important in the future that opportunities are maximised by free market access.

The other major issues likely to affect the business going forward are industrial relations, tariffs and currency.

In terms of industrial relations, the unions campaign for Manusafe or any other form of entitlement protection cannot be afforded by the industry and this in the longer term is going to require government intervention.

With regard to the Tariffs, obviously the reduction in 2005 has the potential to allow more imports, however the effect of currency movement could also have a great impact on imports and reducing demand for exports.

The recent announcement of investments by Toyota, Holden and Mitsubishi will augur well for the industry and the continuation of ACIS will ensure that our local businesses remain competitive long into the future.

Regards

GLEN CASEY
EXECUTIVE GENERAL MANAGER