



PLASTIC PRODUCTS (STH. AUST.)

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December 21, 1999.

The Productivity Commission,
P.O. Box 80,
BELCONNEN. A.C.T. 2616.

ATTENTION: MR. HERB PLUNKETT

Dear Sir,

As one of the largest, if not the largest purchaser of Phenolic Molding Compounds in Australia, we seek the removal of the existing 5% duty from this material. (Tariff Item 3909 4000 Stat. Code 33).

Because of it's heat resistance, electrical properties and excellent dimensional stability, this material is used in the manufacture of cookware fitments (knobs and handles), automotive ash trays, lawn bowls, brake boosters for the automotive industry and electrical and gas meter applications (meter bases, fuses, etc.).

In a lot of cases, there is no readily available or often no materials to be used as a substitute.

Phenolic, often regarded as the first of the truly synthetic plastics, was discovered and patented in 1911 by Dr. Leo Baekeland. Phenolic is often referred to as Bakelite and Dr. Baekeland as the Father of the Plastics Industry.

In Australia, there were three manufacturers of Phenolic Molding Compounds, Tonwell and Union Carbide in Sydney and Huntsman Chemical Company in Melbourne.

Huntsman Chemical Company were the last to close their plant in September 1998.

There are now no local Suppliers.

We were hoping this material would have come under the heading of "Nuisance" tariffs as only around 500 tons have been imported in 1999 with approximately \$50,000 Duty being paid. However, that was not the case, so we now request a special case (perhaps a sub-heading) be made made for this material and the 5% Duty eliminated.

In the meantime, we have approached the Australian Customs Service to pay a concessional duty of 3%.

Yours faithfully,

PETER LEAHY
MANAGING DIRECTOR

THERMOSET AND THERMOPLASTIC INJECTION MOULDERS



Occidental Chemical Corporation

December 21, 1999

Mr Herb Plunkett
Review of Australia's General Tariff Arrangements
Productivity Commission
P O Box 80
BELCONNEN ACT 2616

Dear Mr Plunkett,

Re: Review of Australia's General Tariff Arrangements

I wish to tender this letter of support regarding Plastic Products (Sth Aust) request for a review of the duty for Phenolic Molding Compounds.

Occidental Chemical Corporation has a joint venture with Sumitomo based in Singapore (Sumi Durez). Sumi Durez manufacture Phenolic Molding Compounds. Occidental Chemical Corporation (Aust) Pty Ltd currently imports the material into Australia to meet the requirements of local Phenolic Molders. The decision was made by Occidental Chemical Corporation (Aust) Pty Ltd when Huntsman closed down their Australian manufacture of Phenolic Molding Compounds in 1998 to directly import to meet the needs of local manufacturers.

We would appreciate your favourable consideration of Plastic Product's request regarding the decrease in duty applicable to Phenolic Molding Compounds.

If I can be of any further assistance, please do not hesitate to contact me.

Kind Regards,

A handwritten signature in black ink, appearing to read 'L. Ratjens'.

Lorraine Ratjens
Sales Manager

OxyChem ®

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