

General Manager  
Business Tax Division  
The Treasury  
Langton Crescent  
Parkes, ACT 2600

4<sup>th</sup> February, 2010

Dear Sir,

RE: Proposed changes to the research & development tax concession

We have reviewed the proposed changes to the tax concession for R&D and we are most concerned that they will have a detrimental impact on the manufacturing industry in Australia.

We are particularly concerned with the proposed new definition of eligible research and development programmes and see these as a further restriction on manufacturing research and innovation concessions.

We feel that the Australian manufacturing industry at the present time needs and deserves incentives to encourage world best practice and we see the proposed changes as being even more restrictive and a retrograde step.

The article in the Financial Review of February 1<sup>st</sup> illustrates our concerns in a cogent and compelling manner and we trust that you will reconsider the proposed changes accordingly.

Yours Sincerely,

Ron Bradley  
President  
Private Label Manufacturers Association  
Australia & New Zealand

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