



15 April 1999

The Secretary
Review of Business Taxation
Department of the Treasury
Parkes Place
Canberra
ACT 2600
AUSTRALIA

Dear Sir/Madam,

Ceramco Corporation is associated with the study by The Allen Consulting Group in relation to "Making franking credits available to Australians investing in foreign owned companies."

Whilst the study has used the Lion Nathan Group for the purposes of illustration the principles involved are very relevant to Ceramco's own situation, particularly in reference to income earned in Australia and the interaction with Australian shareholders.

Ceramco wholeheartedly supports the Recommendation on page 14 of the Allen Group Report viz:

"The Government remove the anomaly that currently makes it impossible for Australian shareholders in non-resident entities such as Lion Nathan to claim franking credits on their shares in companies. This should be done in the name of competitive neutrality and encouraging more competition within industries, as well as maintaining the spirit of the Closer Economic Relations Agreement with New Zealand".

Yours faithfully,

A handwritten signature in black ink, appearing to read "Ray W. Tibbits".

R W Tibbits,
COMPANY SECRETARY
& CHIEF FINANCIAL OFFICER