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August 31, 2000

Mr John Harrison
TecEco Pty Ltd
497 Main Road
Glenorchy
Tasmania 7010

Dear Mr Harrison

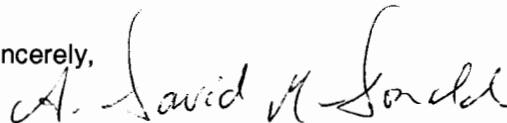
Further to our discussions last evening, I would like to advise you that I strongly support the case put forward by TecEco Pty Ltd in the revised proposal to the AGO Greenhouse Gas Abatement Program.

I am particularly pleased to see the inclusion of influences of own-price, cross-price and income elasticities of demand on the growth scenarios for the consumption of cement bricks. I am also pleased that you addressed input-substitution inherent in a potential switch from Portland to Eco cement production and the related change in factor prices of these "ingredients" that may result. These influences have clear implications for the projections of greenhouse gas emissions and abatement in the production of both Portland-cement and Eco-cement bricks and mortar.

The scenarios you put forward, and the estimates of abatement to which they give rise, cover the range of outcomes that one would reasonably expect.

I wish you well in the venture and hope that the technology embodied in the Eco-cement can be made available to brick and mortar manufacturers, not only for the abatement possibilities but also for the gains in economic efficiency that are evident.

Yours sincerely,



A. David McDonald, M.Ec., M.Stat., Ph.D.