

PUBLIC FILE

GIBSON Michelle

Subject: FW: Australian Customs Duty Notice (ACDN) No 2011/43. - HOT DIPPED GALVANISED PIPES [SEC=UNCLASSIFIED]

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From: Matt Quick [mailto:mquick@adsteel.com.au]
Sent: Thursday, 24 November 2011 12:54
To: Trade Measures Ops 3
Subject: Australian Customs Duty Notice (ACDN) No 2011/43. - HOT DIPPED GALVANISED PIPES

Attn Mr Geoffrey Gleeson - Director - Operations 3
International Trade Remedies Branch

Dear Sir,

We write with regards to the above matter.

As an Independent (privately owned) Steel Stockist and Distributor we are extremely concerned with the inclusion of this product group ('HDGP') into this current investigation.

Adsteel Brokers have endeavoured to purchase Australian produced product from ATM (and before their existence, OneSteel Tube Mills and Palmer Tube Mills) in the past directly from their mills and have been told that we can not buy direct from their mills.

We now understand that ATM have not manufactured this product range in Australia (since 2008) but do offer alternative products ('ALL GAL/DURAGAL/SUPAGAL) which are NOT functionally comparative products to HDGP

To add insult to injury, we now also are told (by OneSteel Distribution staff) that they are importing significant stocks of HDGP pipes from Vietnam - the one country excluded from the investigations.

It is important to bear in mind that this product is used in many manufacturing activities across Australia. Those finished products compete with fully / partially products manufactured in China and other countries. Those finished and semi finished products are NOT covered by this, or any other, investigation.

Therefore, Adsteel Brokers submit that any imposition of additional duties will result in

- a) ATM (and therefore OneSteel Distribution) gaining a significant competitive advantage for this product range due to it's Country of supply (Vietnam) being excluded from the current investigations.
- b) Australian Manufacturers trying to compete against fully / partially fabricated imported products being placed at a commercial disadvantage due to higher product input costs. This will result in job losses within the Australian Manufacturing Industry, without doubt.

In fact, we would contend that the entire investigation into Imports of HSS places Australian Manufacturing jobs in jeopardy, as the growth of Imported Fabricated steel components and structures is already a significant problem for Australian Manufacturers and Steel Fabricators.

We are all for a fair and level playing field - but rather than having a protected *Steel manufacturing* industry, we need to have a globally competitive Steel Production, Manufacturing / Fabricating and Construction industry. The imposition of duties and other protection measures on HSS products alone will only serve to make the local Fabricating and Manufacturing sectors even LESS competitive against like products from overseas.

Yours Sincerely,

Matt Quick
Director



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