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**ALL STEEL STAIR FORMWORK & STRUCTURAL STEEL FABRICATOR****BAO ENGINEERING  
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PUBLIC RECORD

**Developments in Anti-Dumping Arrangements**

Submission – BAO Engineering

BAO Engineering appreciates the opportunity to provide a submission to the Australian Government Production Commission's research paper into Developments in Anti-Dumping Arrangements,

This response includes:

- 1) Introduction to BAO Engineering
- 2) An Analysis into the Proposal
- 3) Necessity for these Regulations
- 4) The Lack of Products in Australian Market
- 5) Conclusion

**1) Introduction to BAO Engineering**

BAO Engineering is an Australian company that has been in the construction industry for over 20 years. We produce a pre-fabricated all steel permanent formwork system that has been used in significant projects including, the 34 storey Queen Victoria Building, the Victorian Comprehensive Cancer Centre and Emporium Melbourne. Our products have been utilised all over Australia, supplying to nearly every state as well as New Zealand and Singapore. Currently, we are supplying the project named, Australia 108, under construction in Southbank, which will be the tallest building in Australia and the Southern Hemisphere with over 100 storeys. Our company uses galvanised steel sheets, galvanised pipes and reinforcement bars in our products.

**2) An Analysis into the Proposal**

The Anti-Dumping Regulations have been put into place to protect a very few Australian organisations. These regulations are protecting these local organisations from losing market share as their Australian clients are importing steel resources abroad at a lower price. However, it has been noted that the majority of Australian organisations who have been negatively affected by the lower prices abroad are monopoly or near monopoly players who dominate their respective markets. However, while they may seem to dominate, many Small to Medium Enterprises (SMEs) that use these raw materials, are highly dissatisfied with the quality and inconsistent pricing of the Australian suppliers.

**3) Necessity for these Regulations**

These regulations have been deemed useless for certain resources. While the Anti-Dumping Regulations are placed on products such as galvanised steel pipes. This is



redundant as there is no organisation within Australia that produces galvanised steel pipes, leading companies to go overseas and source these as required. Hence, these regulations place an unnecessary burden and highly inflated costs on Australian SMEs that require these resources from a higher cost supplier in order to manufacture their goods and stay in business.

#### **4) The Lack of Products in Australian Market**

As previously mentioned, the products that are being taxed are unable to be purchased within the Australian market and we cannot get any continued access to these materials in Australia, which were usually supplied by the Indian market (see Appendix A). It is not that SMEs do not want to purchase locally produced goods, it is that these goods are not being manufactured locally and any other, do not satisfy basic quality requirements. This is a significant issue for SMEs and creates conflict and inefficiencies, leading to quality issues in the overall project that we are supplying. Hence, the Anti-Dumping Regulations on these products are completely unnecessary. Particularly, as we are supplying the project named Australia 108, it is highly important that we have access to these materials immediately to ensure that the overall project is completed in time.

#### **5) Conclusion**

We believe that the Anti-Dumping Arrangements on galvanised steel sheets, galvanised pipes and reinforcement bars are not beneficial to Australia as many organisations require imported resources that are unavailable locally. Exorbitant prices and lack of product diversity are requiring businesses to supply their resources from outside Australia. Whether it is due to prices that are too high for many enterprises to bear, or that the specific resource necessary is simply unavailable within Australia, this ultimately renders us incapable of continuing business.

Furthermore, the Anti-Dumping Arrangements have a detrimental effect on the Australian economy as businesses of varying sizes will be unable to provide their goods to Australian clients at the usual price. Hence, the tariff will ultimately fall on customers' shoulders, as they are the final stakeholders that will incur the cost. This discourages economic development and spending from both a supplier or producer point of view and a customer or client point of view. Whether it is businesses being unable to continue producing their goods, or a significant drop in demand from clients due to increased prices or quality issues, this legislation has no benefit to Australia.

Therefore, we urge you to release these Anti-Dumping Arrangements on galvanised steel sheets, galvanised steel pipes and reinforcement bars immediately so that we are able to provide our necessary products to the market, as these products cannot be completed to the required quality standards or at all with the current Anti-Dumping Arrangements. In addition to our existing significant projects, it is crucial that we provide quality products to project Australia 108, which we emphasise, will be the tallest building in Australia and the Southern Hemisphere, a highly paramount achievement for our country.

## Appendices

**Appendix A** – There is no access to these required products within the Australian market (Please see “NIL STOCK”)

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