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The Director
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PUBLIC VERSION

Reference: Anti-Dumping Notice No. 2015/152

Firstly, thank you for sharing the existence of this enquiry with us and allowing us the opportunity to make this submission. Note, we are only a small company and make our submission as simple as possible, we are not across all the formalities that this submission may normally include or the method of presentation.

Our mining arm OzPress Industries Pty Ltd does import from China a specialist Mining Roof Reinforcement Bar. This product is a proprietary patented design owned by a European based company. The products we produce, are only made on behalf of this company, to their specifications, and only distributed globally via their own marketing outlets.

REBAR

Rebar is a common steel bar product used principally in concrete reinforcement. Usually mild steel, with multiple ribs for anchoring in the concrete. The ribs are part of the manufacturing process at the rolling mill.

Our bar material, purchased from a Chinese steel mill, is a **smooth plain round bar** to a very specific formula to achieve a much higher strength than rebar. We have worked with this mill to achieve specified outcomes of Yield, Ultimate Tensile, and most importantly to our customer, a high Elongation outcome. This outcome allows our bars a high degree of stretch to provide the end customer with high elasticity, or dynamic performance, in conditions where a mine roof structure may be unstable due to rock structure and/or subject to geological movement such as earth tremors.

In the Notice under the heading "The Goods" **plain round bar is excluded** from this investigation.

NEXT PROCESS

We receive this round bar into a joint facility in southern China, where we undertake the process's required to meet the customers' requirements. These do include adding up to six anchors for bar for retention of the bar in epoxy, in the mine roof, but also include the addition of a thread and the supply of a custom built nut added to the end of the bar.

We acknowledge that some suppliers in this industry do use basic rebar for manufacturing low cost roof reinforcement bars for the mining industry. However we do not compete with these basic low technology products. We do not use rebar as the basis for our product.

Local Mills were approached to produce this material in the past, however due to the specialty nature of the composition for the steel and relatively low volume, there was no interest.

INVESTIGATION PROCESS OBSERVATIONS

We are not aware of any subsidies provided to the Mill we use for the manufacture and sales of this material in China. Note our purchase is based on a domestic sale within China. Such supply which would not qualify for export subsidies or the like in China.

Secondly, the very low volumes we have brought into Australia would not pose any threat or injury to local manufacturers of like products. No local manufacturers make a product to our specifications for such a narrow, highly specified, application.

GLOBAL STEEL PRICING

As we operate on a global basis we wish to share our thoughts on the global steel market.

All steel products, especially in the construction and mining areas, have seen a large reduction in global demand.

For the Chinese, this large reduction in orders for export, is exasperated by reductions in domestic demand in these industry sectors. The Chinese government has shifted economic focus to internal consumption, and a move away from a heavy reliance on infrastructure development. Hence a large drop in demand for products like rebar.

Global steel prices have been falling over recent years. Sector by sector these reductions could be in the order of 30 – 40%!

In fact, the Chinese Mill we have used up until now, is closing due to lack of demand and we will need to revalidate material from another mill.

Australian purchases of rebar will be receiving offers for supply of rebar from countries such as China, India, and even Europe, way below what Onesteel may like to charge based on the Australian cost basis.

The reality is, globally steel prices are still in decline. We suggest it would be unfair to penalize the local market, by adding protection to an industry which may be failing to improve productivity quickly enough to match global steel pricing.

Whilst some examples of "Dumping" will always occur where Global Supply exceeds Global demand, please do not ignore the continually falling global demand, and hence price, for steel products. This is simply an outcome of the supply and demand situation.

Adding a penalty tariff or the like, only further limits local manufacturers, miners and construction company's capability to offer globally competitive products and services either within Australia or for potential export opportunities.

Hopefully these comments may be helpful. We are available to provide supporting information as evidence should you so desire.

Thank you again for this opportunity.

Yours Faithfully

Mark Dwyer
Ozpress Pty Ltd