



Wagga Wagga, Toowoomba,  
Hamilton, Tamworth  
Phone 1300 655 383  
[www.proway.com.au](http://www.proway.com.au)

1<sup>st</sup> December 2011

Geoffrey Gleeson  
International Trade Remedies Branch  
Australians Customs and Border Protection Service  
Customs House  
5 Constitution Avenue  
CANBERRA ACT 2601

Submission to anti-dumping enquiry - Hollow steel section, including hot dip galvanized pipe.

I am writing as a director of ProWay Livestock Equipment, a manufacturing business based at wagga Wagga Wagga.

Proway employs 45 people. 33 are metal fabricators, 4 are draftsmen, 2 in administration, and 6 in sales.

We employ 7 apprentice metal fabricators, and will start 2 more next year.

ProWay is owned by 3 working directors, including myself.

ProWay manufactures livestock handling equipment, largely for the farm market. We have also done several saleyard projects. The most recent has been the Forbes, NSW, sheep saleyards.

ProWay manufactures and delivers equipment to all states in Australia. More detail about the business can be found on our website [www.proway.com.au](http://www.proway.com.au)

Around 60 percent of our steel usage is hot dipped galvanized hollow section steel. This is all import material. The balance of our material is mainly pre-galvanised hollow section. It comes from either the Australian mills or Asian mills depending on a number of factors. We use hot dip galvanised steel for all ground engaging components. Pregal is not suitable to substitute into this useage.

Our business faces high competitive pressures from imported manufactured product. Attached are sample emails we are bombarded with on a daily basis, offering offshore manufacture of our product. We have been experimenting with importing some manufactured product, although at this time we are committed to local manufacture. We are currently extending our premises to allow for further expansion.

All correspondence to ProWay Livestock Equipment Wagga Head Office, PO Box 85, Wagga Wagga NSW 2650  
ABN 64 071 312 804 Phone 1300 655 383 Fax 02 6931 8410 Email [information@proway.com.au](mailto:information@proway.com.au)

Our business is a bulk steel user - that is the cost of steel forms a large part of the cost of our manufactured product. Therefore our competitiveness is highly sensitive to steel price variations. We do not use, and have not used Australian hot dip galvanized product in our business. It has typically been \$800 to \$1000/tonne dearer to an end - user such as ourselves than import material. A visit to the Onesteel mill in Brisbane gives an understanding as to why this is so. Their archaic production methods (including the operator with the 'fishing pole' sitting over the molten galvanizing bath retrieving the lengths of steel, and drinking lots of milk to keep his zinc levels down) make them uncompetitive.

The effect of a rise in price of hot dipped import material would have a large detrimental effect on our profitability as a local manufacturer. We would look to outsource our manufacturing to Asia, and import the manufactured product rather than importing the steel product.

The consequence will be a loss of direct jobs in our business. This would multiply out through the broader regional community. This is at the same time as jobs are being lost due to water buybacks in our area.

Training of school leavers will be lost. We have trained around 30 metal fabrication apprentices over the past 11 years. A large number of these have moved on to the mining industry.

Training of school leavers in skilled drafting jobs would be lost. We have trained, and currently employ 4 draftsmen who work in the latest 3 dimensional drafting software.

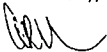
Government programs to encourage training and skill improvement fall on barren ground if the industries are unprofitable.

Imposition of a duty will be rewarding a lazy industry, in the steelmaking industry. We perceive the bulk of local steel mill problems are created by themselves. The Onesteel/Bluescope complex are inflexible and unresponsive with little understanding of the marketplace they operate in. It would be possible to achieve a premium for local milled product if their service levels were a little better. Our use of domestic pre-galvanised material is currently falling, not due to price issues, but due to service issues.

Their uncompetitiveness appears to relate to a failure to invest in their businesses, and be outward looking, in previous decades.

Imposition of a duty will penalise small, competitive, flexible, responsive manufacturing businesses such as ours. Our jobs will be sacrificed to prop up the dead dog that the Australian steel industry is. Regional industries will be sacrificed for jobs on the coastal fringe.

Yours faithfully,

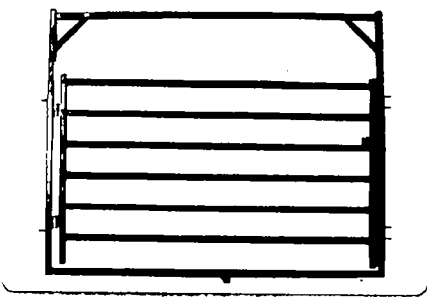


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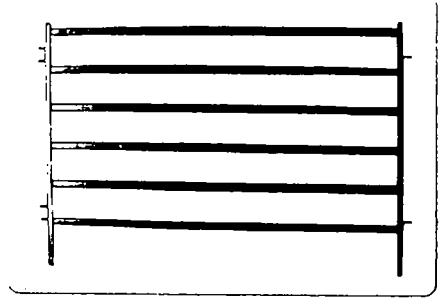




# Qingdao Haylite Machinery Co.,Ltd

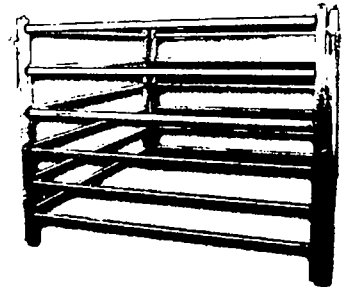


• CATTLE BOWGATE 6 BAR,  
10FTx8FT (6FT INSIDE)



• CATTLE PANEL 6 BAR, 10FTx6FT

- OTHER SIZES CAN BE MADE
- PRE-GALVANIZED OVAL & SQUARE PIPES
- PANEL & GATE ACCESSORIES SUPPLIED
- ZINC SPRAY AFTER WELDING



## PANEL & GATE ACCESSORIES

CATTLE PIN



PIN SET



- HIGH QUALITY MATERIALS
- 40x40x2mm Post    • 50x50x2mm Post
- 60x30x1.6mm Rail    • 70x41.6x1.6mm Rail