

16 April 2013

Ms Joanne Reid
Director, Operations 3
International Trade Remedies Branch
Australian Customs and Border Protection Service
Customs House
5 Constitution Avenue
CANBERRA ACT 2601

Received
17 April 2013

Dear Ms Reid

For Public File

Aluminium Zinc Coated Steel and Galvanized Steel exported from the People's Republic of China, the Republic of Korea, and Taiwan – BlueScope comments re OneSteel ATM and Orrcon submissions

I refer to the submissions by OneSteel Australian Tube Mills ("OneSteel ATM") dated 12 April 2013 and Orrcon Steel limited ("Orrcon") of 8 April 2013. The submissions relate to the supply of galvanized hot rolled coil by BlueScope Steel Limited ("BlueScope").

1. OneSteel ATM submission dated 12 April 2013

OneSteel ATM's submission suggests galvanized hot rolled coil is not a like good to BlueScope's galvanized cold rolled steel. This statement is not accurate as the intended application i.e. for use in hollow structural sections ("HSS") that complies with AS/NZ Standard 1163:2009 is not mentioned.

The OneSteel ATM submission further suggests (and is confirmed by OneSteel ATM's reservations) that BlueScope will supply OneSteel ATM with galvanized steel manufactured from cold rolled coil. This is not the case. BlueScope has informed OneSteel ATM that the galvanized HRC to be supplied as per AS/NZ Standard 1163:2009 is hot rolled galvanized steel that fully complies with the Standard.

It has not been BlueScope's intention to supply non-conforming HRC to OneSteel ATM for HSS manufacture (complying with AS/NZ Standard 1163:2009).

The OneSteel ATM representations relate specifically to the raw material feed for AS/NZ Standard 1163:2009. BlueScope would like to clarify that in certain other end-use applications, galvanized steel manufactured from cold rolled coil is a suitable raw material feed. It is therefore apparent that cold rolled and hot rolled galvanized steel are interchangeable in certain applications and therefore can be considered like goods.

2. Orrcon submission of 8 April 2013

In its 8 April 2013 submission Orrcon Steel Limited ("Orrcon") states that *"pre-galvanised master coils used by Orrcon Steel to manufacture its Allgal range of products cannot be made in Australia"*. It is further suggested by Orrcon that following meetings with BlueScope it was confirmed that the required goods *"could not be produced on their (BlueScope) equipment."*

The discussion above concerning the supply of hot rolled galvanized steel to OneSteel ATM demonstrates that BlueScope has the capability to supply and, is in the process of supplying, the required hot rolled galvanized steel required as raw feed for HSS manufacturers in Australia.

It is further claimed by Orrcon that the “master coils” required by Orrcon have “*a unique chemistry and zero spangle coating*”. BlueScope highlights with Customs and Border Protection that the technical specifications for the hot rolled galvanized coil substrate requires zero or minimal spangle – a specification that BlueScope’s hot rolled galvanized coil adequately satisfies. It is further noted that when the galvanized coil is further worked, the spangle is further reduced to a size that is very minimalistic.

BlueScope therefore rejects Orrcon’s representations that the hot rolled galvanized steel coil required by Orrcon for the production of Allgal Pipe and Tube is not available from local supply.

3. Conclusions

BlueScope confirms that it possesses the capability to produce and has produced hot rolled galvanized coil in accordance with the specifications of AS/NZ Standard 1163:2009. BlueScope also highlights with Customs and Border Protection that cold rolled galvanized steel and hot rolled galvanized steel are like goods in other non-AS/NZ Standard 1163:2009 applications.

Additionally, BlueScope reaffirms that it manufactures hot rolled galvanized coil with minimal spangle as required for Orrcon’s Allgal Pipe and Tube.

If you have any questions concerning this letter, please do not hesitate to contact me on (02) 4275 4638.

Yours sincerely



Chad Uphill
International Trade