



## NON-CONFIDENTIAL

The Commissioner  
Anti-Dumping Commission  
GPO Box 2013  
Canberra ACT 2601

### Review 642 into Hot Rolled Structural Sections exported from Thailand

Dear Commissioner,

The Siam Yamato Steel Co. Ltd (SYS) makes this submission to Review 642, in light of the recently announced developments surrounding the viability of Liberty Primary Steel's (Liberty Steel) operations.

In its submission of 17 June 2024, Southern Steel Group brought to the Commission's attention that Liberty Steel's Whyalla Steelworks had been offline since mid-March, following damage to the external shell of the blast furnace during planned routine maintenance. Despite projections of steel production resuming by July 2024, there was sufficient and serious concern about the ongoing operation of the Whyalla blast furnace, and the flow on effect to steel production.

In its submission of 2 July 2024, Liberty Steel advised that '*the unplanned outage was nearing resolution*', and that concerns relating to the steel making capability at Whyalla should be '*dismissed as irrelevant*'.

Despite Liberty Steel's declaration that unplanned outages were nearing resolution, the Australian has reported<sup>1</sup>:

*The Whyalla blast furnace is offline again with no firm date for its return to steelmaking*

*The blast furnace at the Whyalla steelworks is not producing steel for the second time this year, with the Sanjeev Gupta-led GFG Alliance unable to say how long it will be until normal operations resume.*

In addition to the steel making issues facing the Whyalla Steelworks, it is also reported that the Whyalla Steelworks is facing financial pressures, leading to '*... falling behind on payments to suppliers at the same time as it cuts staff and faces falling steel prices*'.

Given that the issues facing Whyalla Steelworks appear to be deeper than initial thought, and suggested by Liberty Steel, it is critically important that the Commission, and the Minister for Industry and Science, ensure that the imposed anti-dumping measures go no further than removing the effects of injurious dumping. To that end, where there is a choice of appropriate measures, the least onerous measure should be chosen that adequately addresses the effects of dumping, and does not go further than is necessary to attain it.

The Commission has sought to achieve this in Final Report 637, by recommending that the Minister impose an ad valorem rate of duty on exports by Hyundai Steel Company from Korea. SYS requests the Commission to consider a similar recommendation in Review 642, with an ad valorem duty at the existing dumping duty rate.

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<sup>1</sup> [The Whyalla blast furnace is offline again](#)



To impose a floor price or increase the rate of duty beyond the determined margin of dumping, at a time when the local producer is facing production constraints, and the local market is at risk of being in short supply, would be detrimental to the Australian construction industry, steel fabricators and ultimately the broader economy.

This is especially relevant given that anti-dumping duties on steel inputs are known to encourage a shift towards imports of fabricated steel products, leading to greater import competition for downstream steel fabricating industries in Australia. It's important then that the Minister strike a balance between remedying the injurious effects of dumping, and ensuring that the measures do not impose an unfair barrier to entry.

By imposing an ad valorem rate of duty, the Minister for Industry and Science would be ensuring that imports are not dumped, and not subject to an additional barrier to entry at a time when the market is already facing difficulty with supply. In addition, and importantly, an ad valorem rate of duty would continue to provide sufficient protection to Liberty Primary Steel, whilst it deals with the ongoing issues at its Whyalla Steelworks.

Therefore, SYS requests that the Commission have regard to the existing difficulties facing the local producer, and recommend an ad valorem duty apply to its exports at the existing rate of 7.8%.

Yours faithfully

Mr Pongsak Haelom

Division Manager – Marketing, Marketing Division

Siam Yamato Steel Co. Ltd

28 October 2024