



FOR THE PUBLIC RECORD

14 September 2021

The Director  
Investigations 4  
Anti-Dumping Commission  
GPO Box 2013  
Canberra ACT 2601  
By email to: [investigations4@adcommission.gov.au](mailto:investigations4@adcommission.gov.au)

Dear Director,

**Re: Investigation No. 559 - Aluminium zinc coated steel of a width <600 millimetres  
Exported from the Socialist Republic of Vietnam**

We represent MJM Steel Pty Ltd (Mr Mark Morrison), the Australian representative of Jepsen & Jessen GmbH (formally Ferrostaal Metals GmbH).

We would like to focus on the impacts of the passing of time, and Covid-19, on the global and Australia steel markets.

**1. Market disruption**

We note that ADN 2020/068 was issued on 30 June 2020, now coming on to 15 months ago. We also note that the Period of Investigation (POI) is the year ending 31 March 2020, coming on to 18 months ago.

The period for assessing material injury is from 1 April 2016, and we note the world of steel and other globally traded products such as timber, is, and is likely to continue to be, a significantly different marketplace.

We note that the POI ended ***just as the global Covid-19 pandemic was taking hold*** which impacted dramatically on the Exporters and the ADC in terms of processes for conducting the necessary verification of data provided for ADC deliberations. This has resulted in an extremely elongated investigation period and ongoing considerable uncertainty in terms of placing orders of steel, at a time when steel is in very short supply.

Just to reinforce the point, of which we know the ADC is as frustrated as the Importers, Nam Kim's response to the Exporter Questionnaire was placed on the Public Record on 16 September 2020 and the ADC Verification Report placed on the Record on 23 July 2021. That's a 10-month period of review, certainly significantly longer than prescribed in legislation (even allowing for provisions of extensions of time).

We respectfully request that ADC consider current market conditions (discussed below) and ***bring this case to a prompt conclusion*** thus bring certainty for market participants.

## 2. Global Markets and material injury

Steel prices have doubled, and in some cases tripled since the POI.

We like to refer you to a report by the Australian Strategic Policy Institute (“ASPI”), which describes itself as “an independent, non-partisan think tank that produces expert and timely advice to Australia’s strategic and defence leaders”. 75% of ASPI’s funding comes from government, supporting their claim to being independent.

<https://www.aspistrategist.org.au/is-china-putting-the-squeeze-on-australia-by-curbng-steel-supplies/>

The report leads with the impacts of actions taken by China (a country covered by this case 559), their observations and conclusions applying to the global market, in particular the Asia and Australian economies.

We won’t repeat the many valid points they make that are relevant to this case, but would say:

- A) Global steel supply is extremely short of demand, resulting in almost all foreign mills making allocations to their export customers – that is, supplying less, sometimes much less than those customers have ordered
- B) Low supply vs high demand has resulted in skyrocketing steel prices, a situation most knowledgeable pundits are expecting price levels to continue for the foreseeable future
- C) The 2 Australian steel producers, including the Applicant in this case, are operating at full capacity, have most customers on allocation, and strangely are lagging price increases when compared to the global market

Our conclusion is that IF the Applicant was suffering material injury during the POI, ***there is no evidence that they are now, or likely to be into the future, incurring any injury from imports.***

Many of the local Australian steel construction, fabrication and manufacturing companies, larger and small are experiencing steel shortages, and for the latter experiencing financial stress. Any additional action taken by the ADC or any other authority that impacts on the availability of supply of steel into Australia is ***simply not in the Australian Public Interest.***

We contest, based on all the evidence available regarding steel availability and price, **this case should be terminated immediately.**

Your faithfully



**Stephen Pearson**  
Director

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