



Australian Steel

Impact of Imported Finished Steel Products on Domestic Manufacturing

Submitted by: Australian Steel Pty Ltd
Location: Braeside, Victoria
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1. Purpose of Submission

This submission is made in response to the Government's request for stakeholder input regarding the recent increase in imports of finished and semi-finished steel products into Australia and the resulting impacts on domestic industry.

As a participant in the Australian steel supply chain, our business supplies locally sourced steel materials to downstream manufacturers, fabricators, and engineering firms. We are therefore directly exposed to structural changes in domestic demand linked to import competition.

2. Observed Market Changes

Over the past 12–24 months, our company has observed a measurable decline in orders from Australian fabricators and manufacturers who traditionally source locally produced steel inputs.

Feedback from our customers indicates that:

- Increasing volumes of imported finished or near-finished steel goods are entering the Australian market.
- These imports are often supplied at price points that local fabricators cannot compete with.
- As a result, Australian manufacturers are bypassing local processing and fabrication steps and purchasing finished imported products instead.

This shift reduces the need for locally supplied steel, machining services, and fabrication work, weakening the broader domestic manufacturing ecosystem.

3. Economic and Industry Impacts

The trend has several broader implications:

a. Reduced Domestic Value-Adding

Australia risks losing skilled manufacturing activity where raw or semi-processed steel would otherwise be fabricated locally, supporting engineering capability and industrial employment.

b. Supply Chain Erosion

Local steel suppliers, processors, transport operators, and service firms depend on downstream fabrication activity. Reduced domestic processing diminishes demand across this entire network.

c. Industrial Capability and Sovereign Risk

A sustained decline in domestic steel fabrication capacity could affect Australia's ability to support infrastructure projects, defence supply chains, and critical maintenance sectors in future.

4. Concerns Regarding Import Conditions

While we recognise the importance of open trade, our concern is not competition itself but the **conditions under which imported steel products are entering the market**, including:

- Potential price distortions due to subsidised production overseas
- Differences in environmental compliance costs
- Variations in labour standards and industrial regulations
- Possible gaps in enforcement of anti-dumping or quality controls

These factors may create an uneven playing field for Australian manufacturers and suppliers.

5. Suggested Areas for Government Consideration

We respectfully suggest that the Government consider:

1. **Reviewing import trends and price behaviour** in finished and fabricated steel products.
2. **Assessing whether current anti-dumping mechanisms adequately cover downstream fabricated goods**, not only raw steel.
3. **Evaluating the cumulative impact on domestic manufacturing capability**, not solely short-term consumer pricing.
4. **Considering procurement policies or industry support measures** that encourage local fabrication where feasible.
5. **Ensuring imported structural or engineered steel products meet equivalent certification and compliance standards** as domestic production.

6. Conclusion

Australia's steel and manufacturing sectors form part of a broader industrial ecosystem that supports employment, skills, infrastructure resilience, and national capability.

We submit that recent import trends risk undermining this ecosystem and warrant careful policy examination to ensure that competition remains fair and that Australia retains its industrial capacity.

We appreciate the opportunity to provide input and would be willing to supply further data or participate in industry consultation if required.

Signed: