
Safeguard submission into import of fabricated structural steel

1. Business Overview

1. Size of business

- Number of employees: **36**
- Annual Average turnover:
- Approximate annual production volume:

2. Products manufactured with relevant tariff code classifications.

HS 7308 Fabricated Structural Steel

3. Exposure to import competition

- Approximate percentage of revenue exposed to direct import competition:

Can range from 20% to more than 60% of market share

- Key customer segments:
 - **Mid to High Tier Contractors / Builder**
 - **Both the Government and the Private sector projects**
 - **Queensland Projects - Commercial Shopping Centres, Industrial Warehouses specifically and Rail**
 - **In summary: Australian and multinational Tier one & Tier two Companies importing fabricated structural steel at a lower cost to undercut Australian fabricators, and subsequently engaging Australian boilermakers and surface treatment contractors to rectify ongoing non-compliances to AS/NZS standards once erected.**

2. Evidence of an Import Surge

1. Market observations

- Have you observed increased import penetration in your product category? **Yes**
- Over what period? **The last 5 years**

2. Lost contracts or market share. Please provide examples where possible and attach supporting documents where available, such as tender summaries or internal reports. **Please see breakdown below of lost projects last 5 years:**

PROJECT	LOCATION	Description	Year	Country Imported from
Med Log Transport Facility	Port of Brisbane	Stage 1 & 2	2023	Southeast / East Asia
Trade Coast	Eagle Farm	Numerous warehouses 500-15000m2	2025	Southeast / East Asia
Chrisco Hampers	Berrinba	20000m2 – app \$10-13m	2023	Southeast / East Asia
Couriers Please	Arundel	300t - \$3.5m	2023	Southeast / East Asia
Bunnings Pimpama	Pimpama	16500m2 - \$3.25m	2020	Southeast / East Asia
Dexus Stage1	Richlands	800t- 30000m2 – \$10m	2021	Southeast / East Asia
Maxitrans Warehouse	Carole Park	570t - 13000m2 - \$6.25m	2020	Southeast / East Asia
Brisbane Markets Warehouse	Rocklea	440t - 6350m2 - \$10m	2021	Southeast / East Asia
DHL	Berrinba	730t - 32000m2 - \$8m	2023	Southeast / East Asia
DFO Brisbane Airport	Brisbane	310t - 8000m2 - \$3.5m	2024	Southeast / East Asia
Gateway Shopping Centre	Brisbane	1740t – 30000m2 - \$18m	2025	Southeast / East Asia
Toll Distribution	Brisbane	250t – 10250m2 - \$3m	2023	Southeast / East Asia

3. Pricing impacts

- Have you experienced sustained price undercutting? **Yes**
- Estimated percentage price gap relative to imports: **up to 60% price undercut**
- Duration of price pressure: **last 5 years**

4. Other information:

- Changes in order volumes

Had a positive year 2025/2026 due to finally securing key projects we have been tendering on since 2023/2024. 2024/2025 was our worst year in nearly a decade.

- Shifts in customer procurement behaviour:

Head Contractor is requiring ongoing redesign efforts aimed at reducing costs, including switching between tilt panel concrete and steel, and then back again. This is accompanied by multiple rounds of tendering and repeated revisions and long timeline of sometimes years before contracts are awarded.

Ultimately, projects are often then awarded to imported fabricated steel companies based on significantly lower prices, particularly where there is no Office of Fair Work Collective Agreement in place for the project.

There is also concern that many Tier 1 and Tier 2 head contractors are acquiring Australian fabrication companies and then funnelling imported steel through them to nominally comply with government local content requirements.

- Evidence of import-led price setting

As outlined in the previous table, several significant projects have been lost this year alone to imported fabricated steel. Where no collective agreement is in place, it is often communicated clearly that unless we can match the price of imported steel, it will be sourced from overseas.

- Imported fabricated steel landed at approximately \$2,800–\$4,000 per tonne.
- Steel priced at around \$10,000 per tonne.
- Pricing pressure from imports has always existed, but has significantly escalated since 2023–24.

5. Evidence of Injury

Financial impacts

**Table 1 - TOTAL COMPANY
SALES**

	Financial Year					
	2020	2021	2022	2023	2024	2025 (to date)
Total sales value of the company	\$ 11,696,978.00	\$ 11,607,448.00	\$ 17,465,149.00	\$ 12,420,238.00	\$ 4,171,327.00	\$ 12,701,000.00
Sales value in Australia	11696978	11607448	17465149	12420238	4171327	12701000
Sales value to other markets outside Australia (if applicable)	0	0	0	0	0	0
Sales value Fabricated Structural Steel	\$ 11,696,978.00	\$ 11,607,448.00	\$ 17,465,149.00	\$ 12,420,238.00	\$ 4,171,327.00	\$ 12,701,000.00
Sales value in Australia	11696978	11607448	17465149	12420238	4171327	12701000
Sales value to other markets outside Australia (if applicable)	0	0	0	0	0	0

**Table 2 - TOTAL COMPANY
PROFIT**

	Financial Year					
	2020	2021	2022	2023	2024	2025 (to date)
Profit/loss (EBIT) before tax in %	1%	4%	12%	9%	-21%	4%

Production and utilisation

- Change in production volumes
- Capacity utilisation rate (current vs historical average):

Table 4 TOTAL TONNAGE

	Financial Year					
	2020	2021	2022	2023	2024	2025 (to date)
Tonnage Fabricate	1169	1213	1746	1242	517	1270
Maximum Capacity	2500	2500	2500	2500	2500	2500
% Underutilisation	53%	51%	30%	50%	79%	49%

Employment impacts

- Number of employees reduced (if any): **36**
- Region/location of employment: - **Queensland**
- Roles affected: **Boilermakers & Logistics**

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- Hiring freezes or deferred recruitment – **Company reduced workshop personnel significantly over 2024 /2025 and has now built back up however will have to reduce again should further contracts not be secured by June 2026.**

**Table 3 TOTAL COMPANY
EMPLOYMENT**

	Financial Year					
	2020	2021	2022	2023	2024	2025 (to date)
Number of employees (full time equivalent at the end of each period)	46	47	49	47	16	36

Investment impacts

- Capital expenditure deferred or cancelled:
- **New Welding Machines have been postponed until later in 2026**
- **New Transport Infrastructure postponed since 2022 to later 2026**
- **IT upgrades to centralised databases such as Strumis interfaces postponed from 2020 to late 2026**
- **New Lease on larger Workshop Shed Location**
- Estimated value of postponed investments:
- **New Welding Machines = \$80,000**
- **New Transport Infrastructure postponed = \$350,000**
- **IT upgrades to centralised databases = \$12,000 p.a.**
- **New Lease on larger Workshop Shed Location = \$24,000 increase p.a.**

Explanation.

The deferral and cancellation of capital expenditure is directly linked to increased competition from low-priced imported fabricated steel, which has significantly reduced project margins and revenue certainty.

Unlike broader macroeconomic conditions, demand for projects remains present; however, contracts are increasingly being awarded to overseas suppliers based primarily on price which has driven downward price pressure that has created an unpredictable pipeline of work, limiting the ability to commit to long-term investment when the reliability of cash flow is not there beyond 12 months due to the ebbs and flows of the market as a result of Imported Fabricated steel coming in and taking key projects away from Australian fabricators that would otherwise secure future income and ability to forward project.

As a result, capital expenditure decisions are being delayed due to reduced confidence in securing sufficient domestic fabrication work at viable margins.

6. Productivity Implications

1. To what extent is your business currently constrained in its ability to make productivity improvements – for example capital investment and/or operational improvements?
 - Although there are clear opportunities to improve efficiency through investment in new equipment, automation, and upgraded systems as listed above, these initiatives have been deferred or postponed due to sustained margin pressure from low-cost imported fabricated steel and missed projects, making income erratic and unreliable beyond 12 month terms.
 - This environment reduces confidence in achieving a return on investment, making it difficult to justify long-term capital expenditure, including machinery, transport infrastructure, IT systems, and facility expansion.
 - As a result, the business is focused on maintaining operations and managing costs, rather than pursuing production enhancement improvements.
2. If a safeguard measure (a temporary measure to provide “breathing space” for industry) is imposed, what would your business consider doing/adjusting?
 - Southeast Queensland has a strong pipeline of future work associated with Olympic Games infrastructure, as well as several government projects in the education and health sectors that have been paused under LNP for review. These include major projects such as the Toowoomba Hospital, which are expected to come online in the coming years.
 - In the interim, a safeguard measure would improve the ability to secure private sector projects, helping to maintain continuity of work and business viability.
 - It would also hopefully place greater pressure on state governments to ensure compliance with local content requirements and provide meaningful support for Australian-fabricated steel on future government projects.

7. Structural Implications

1. Skills and workforce

- Are experienced or specialised employees being lost? **Yes, the Construction sector is often losing our Boilermakers to the Mining sector.**
- How difficult would it be to rebuild this capability? **At present, the organisation employs 4 x work visa boilermakers due to a limited local labour pool. The business maintains a 15% apprenticeship ratio; however, it would seek to increase apprentice intake once greater continuity of work is secured.**

Estimated time to rehire and retrain equivalent staff: **As we have a collective agreement in place, our wages are competitive; however, there remains a skills shortage that will need to be addressed through training and workforce development into the future in the SEQ area**

8. Business viability

- Has import pressure affected long-term viability of specific product lines?

A specific concern is the private sector warehouse market, where projects are consistently being lost to imported fabricated steel.

- Risk of exit from certain markets:

Historically, we relied on government projects as a core workload, with private sector warehouse projects used to fill gaps caused by delays or timing fluctuations.

This balance is no longer achievable, as private sector warehouse work is increasingly being awarded to imported fabricated steel suppliers.

As a result, when government projects are delayed—such as through incomplete design or design changes, Site delays etc—we can be left without income for extended periods.

The loss of these “filler” projects has significantly reduced the business’s ability to manage workflow continuity and absorb project timing risks.

9. Supply chain implications

Role of your firm in domestic supply chains:

The organisation plays a critical role in the Queensland domestic steel fabrication supply chain, supplying locally fabricated structural steel that complies with Australian Standards for both government and private sector projects.

The business has invested significant time and resources into compliance systems and certification.

We engage exclusively with local drafting, rigging contractors, and suppliers, maintaining long-standing relationships spanning over 30 years.

Consequences if domestic capacity contracts:

- If domestic capacity contracts, there would be fewer Australian-fabricated steel options available for both government and private sector projects in the future therefore voiding their entire premise of supporting local with Australians tax payer money.
- Industry feedback indicates that imported fabricated steel often does not fully comply with AS/NZS standards, requiring local Australian fabricators and surface treatment contractors to undertake rectification work.
- Even after rectification, imported steel frequently fails within a few years, leading to significant maintenance costs, operational downtime, and reduced asset lifespan.
- Increased reliance on imported steel would also create longer lead times and less control over delivery schedules, further disrupting project timelines.
- Reduced domestic fabrication capacity would limit employment opportunities for the local skilled workforce, including boilermakers and apprentices, exacerbating skills shortages and constraining future trade training.

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- The broader supply chain, including Australian steel producers, material suppliers, and local contractors, would be undermined, weakening the resilience and capability of the domestic construction and infrastructure sectors.
 - Overall, contraction of domestic capacity would increase risk, reduce quality and compliance, and raise costs across the industry while weakening national fabrication capability.
 - We are seeing in real time what happens when we can not function as sovereign country with its own resources, manufacturing capacity and supply chains.

Regional impact

- Regional economic importance of your operations:

Operations have significant regional economic importance in Queensland. In successful years, we can spend up to \$1.8 million on wages and over \$2 - 3 million a year in local suppliers and contractors.

The business supports local employment, including boilermakers, apprentices, and administrative staff, contributing to skills development and workforce sustainability in the region, with key HR KPIs as follows:

- Indigenous Employment: 5% min.
- No of Trainees/ Apprentices average: 15% min.
- Female Employees: 8% min.

Investment in compliance systems, facilities, and training strengthens the region's industrial capability and ensures that Queensland maintains a competitive, high-quality steel fabrication sector.

Overall, we play a central role in sustaining regional supply chains, skills, and economic growth, while reducing reliance on imported steel.