



ACUTE

F A B R I C A T I O N

To Whom it may concern,

14/04/2026

Re: Cheap Asian Imported Steel Products

Good day,

I am the owner of a small fabrication business based in Henderson WA. We have been in business since March 2017 and like most businesses started off with a small team and have grown to a size where we currently employ approx 40 fulltime staff. Being based in Henderson close to what is known as the AMC "Australian Marine Complex" I can see firsthand the sheer volume of imported fabricated steelwork that is bought into this country via this port as it rolls past my office door daily.

We are in a unique position in the industry that we are small enough to have low overhead costs, however large enough to tackle medium size projects. The issue we face is that the medium size projects to large size projects are all being made overseas. We have missed out on several million dollars' worth of work on a local Federal Government job as the main contactor (Laing Orouke) procured tonnes of steel from overseas on the Fremantle River Bridge Replacement Project. Whilst this taxpayer funded job should have been made locally, the head contractor was clever as they argued that the steel that they procured from overseas was all temporary works, and didn't form part of the physical structure (this was signed off by the state government at the time.) This is the most notable project that has seen us personally miss out on supplying to the market. All the other jobs are not directly related to our business, however are related to the next chain in the industry, or what we would see as our competitors who are directly losing this work to an unrealistic supply price, this results in our competition dropping down to a lower level of work which is affecting us.

At the time of writing this letter, this issue has become another compounding issue that is facing our industry. I am not saying that our industry is more important than health care or tourism etc, however over the last 5 x years we have also seen a massive increase in Workers Compensations premiums, Electricity prices have risen 30% in that same period, the cost of the raw product rose sharply around the Covid Period and has still not fallen to pre-covid levels of pricing (this is the raw material component), the cost of fuel has risen prior to the Iran Conflict and the of course in the very shorter term this fuel crisis does not assist our business or industry the slightest. Please also consider Superannuation has increased by 2-4% in the last 5 x years as well as the OH&S obligations due to the new legislation's around PCUB laws.

The point of the argument, is that my business and many in the industry have been absorbing these small "cost of doing business" increases for the items listed above to continue our operations and to sustain our employment workforce. Our business is probably \$100,000 AUD worse off due to the above changes in the past 5 x years per annum. This means before we even start, we are working twice as hard for less.



www.actuefabrication.com.au



ABN

40 618 245 800

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We then see cheap and unsustainable imported steel rolling into the port for projects across WA that we could not even of competed on due to that fact that is being purchased for 200% below our cost. We are not talking about being 5% more expensive, or 20% more expensive. We completed a job last year for \$180k, made locally in Henderson. The client then required a second unit. They procured the exact same unit DELIVERED from China into Fremantle Port for the US equivalent of \$66,000 AUD.

From our business point of view, we are extremely grateful to be given the opportunity to manufacture the first unit. However, for us to manufacture the second unit and to break even it would have cost us \$135,000. That is before I pay the overheads (rent, power etc) and the senior managers wages (including myself.) I am not sure how an overseas business can afford to produce this for what I estimated to be approx \$50,000 AUD (less the shipping portion in the original cost) the raw product would be worth \$75,000 AUD.

Unfortunately for us, the future opportunities to produce similar products for this same client is reduced to them needing it in a shorter lead time then the time it takes to ship from Asia.

I implore the commission to investigate this further, I believe in strong competition, competition drives innovation, efficiency and improvements. Competition also supports training and investment as we continually ask ourselves how we can do better.

However we can't compete if the opposition already has a \$100,000 head start. And my business would not be the most affected in the industry.

Appreciate your time and looking forward to hearing from you should you wish to reach out.

Yours sincerely

Managing Director

Acute Fabrication Pty Ltd



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