



17-19 Gladding Place
P O Box 76 134, Manukau City
Auckland, New Zealand
Tel: +64-9-262 4846
Fax: +64-9-262 2856
Email: nick@metals.org.nz
Web site: www.metals.org.nz

RE: MBIE/AD/1/2020/002

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Dumping Investigation: Galvanised Wire from China: Public Interest Preliminary findings report.

Submitted by email to: traderemedies@mbie.govt.nz

Metals New Zealand strongly supports the imposing of tariffs on imported galvanised wire from the specified plants in China identified in the preliminary findings report, because it is in the public interest.

Metals requests that MBIE consider the global context re steel supply, the importance of local manufacturing in providing high value jobs, and the interconnected nature / dependency of local manufacturing which enables other sectors of the economy to thrive creating much needed jobs and enabling export growth.

The WTO Annual report 2020 identified that steel products account for more than a quarter of new anti-dumping investigations globally in 2019¹. It is not surprising that Pacific Steel seeks to have unfair dumped imported galvanised wire remedied to ensure local manufacturing is competitive with imports, while maintaining (much needed) high value jobs in the South Auckland community.

Local manufacturing supply chains are complex and as identified in MBIE report (para. 15), Pacific Steel is the sole manufacturer of galvanised wire in New Zealand.

Downstream industries are identified (para. 24) and include other manufacturers processing Pacific Steel product for use in building, construction and infrastructure, agriculture, horticulture and viticulture.

In the post COVID economic recovery New Zealand is finding that we can no longer rely on international supply chains to reliably supply the manufactured goods, which our economy has

¹ https://www.wto.org/english/res_e/publications_e/anrep20_e.htm

relied on in the past. Currently, offshore production has been significantly impacted by COVID and deliveries exacerbated by international shipping and local port capacity / capability.

Delivery delays and potential curtailment of supply will ultimately impact upon the building and construction sector and on capital investment in our growing hop, other horticulture / agriculture and wine industries which are valuable export earners for the New Zealand economy.

While international shipping and local port capacity may be resolved in the short term, we have no certainty regarding the future ongoing impact of COVID or other pandemics.

Looking to the future and the transition to a low emissions future, the transition for New Zealand local manufacturing will be critical. For example, the Climate Change Commission's draft advice to government on forestry identified that - *The rate that we can plant or revert native forest would likely be limited by nursery capacity, pest control and **fencing***².

If New Zealand fails to address the dumping of products, then we will continue to lose manufacturing capacity and capability.

In the current uncertain times New Zealand needs to maintain the strategic productive capacity in our economy.

Failure to do so not only threatens steel / wire making jobs but the myriad of downstream manufacturing and users of downstream goods which enable other sectors of the economy to deliver, along with valuable exports.

Yours faithfully



Nick Collins

CEO Metals New Zealand

² <https://www.climatecommission.govt.nz/get-involved/our-advice-and-evidence/> p67

Metals New Zealand member organisations



www.hera.org.nz

The New Zealand Heavy Engineering Research Association (HERA) was established in 1979 as a non-profit research organisation dedicated to serving the needs of the metals-based industries in New Zealand. Its membership consists of approximately 600 companies representing metals-based fabrication and manufacturing companies, the associated design and consulting industry, related education providers, and the supporting material supply and services industry. HERA is base funded through an industry generated R&D contribution in the form of a levy on heavy steel and welding consumables administered by the Heavy Engineering Research Levy (HERL) Act. HERA's current research is in the areas of steel construction, general heavy engineering industry development and welding fabrication innovation. HERA works with other research providers such as universities, independent research organisations and CRIs to deliver its programmes.



www.scnz.org

Steel Construction New Zealand Inc. (SCNZ) aims to advance the interests of New Zealand's diverse steel construction industry by promoting the benefits of steel solutions in building and infrastructure projects. Members include manufacturers of structural steel and steel products, distributors, fabricators, designers, detailers, galvanisers, and paint and building supply companies. SCNZ provides its members with technical advice on the latest in steel design trends and standards, networking opportunities, and a representative voice with key industry and Government decision-makers.



www.castingtechnologynz.org

Casting Technology New Zealand (CTNZ) aims to be a major contributor to the success and prosperity of the metal casting industry. The organisation is an advocate for maintaining high industry standards and encourages members to participate in quality training programmes. It provides a network for technical and business activities among its membership at national and international levels. At a Government level, CTNZ keeps abreast of legislation relevant to the metal casting industry and, importantly, represents the industry's position on issues affecting the sector.



www.metalroofing.org.nz

The New Zealand Metal Roofing Manufacturers Association Inc. (NZMRM) represents companies that roll-form steel and other metals for roofing and cladding purposes. Commonly known as 'Rollformers', NZMRM has 30 member companies. Members are involved in producing a wide range of profiled product, both painted and unpainted. The Association is active in the development and promotion of industry standards, and in conducting research that promotes the use of metal roofing and cladding.



www.nashnz.org.nz

Formed in New Zealand and Australia in 1982, the National Association of Steel-Framed Housing (NASH) is an advocate for all forms of low and medium rise steel-framed construction. NASH represents the interests of suppliers, practitioners and customers of steel-framing systems, and provides a representative voice for the sector at Government level.



www.nzssda.org.nz

The New Zealand Stainless Steel Development Association (NZSSDA) was formed in 1998 to promote and develop the stainless steel market in New Zealand. Its members include engineers, architects, fabricators, merchants and end-users with an interest in the supply or application of stainless steels. NZSSDA supports and encourages technical excellence in the industry and provides specialised training courses on stainless steel for the New Zealand market.



New Zealand's major aluminium extrusion companies work collaboratively, (supported by Metals NZ), on areas of common interest which include fair and free trade, non-conforming products, government procurement and sustainability.



The Sustainable Steel Council (SSC) was reconstituted by Metals NZ, HERA, SCNZ, NZMRM, NZSSDA, NASH, New Zealand Steel, Fletcher Steel and Steel and Tube in 2018. Members of the Sustainable Steel Council are committed to a vision where steel is valued as a critical enabler in New Zealand's journey to a low emission economy. The vision is achieved by a financially sound industry taking leadership in delivering to the living standards framework, measured across human, social, natural and financial / infrastructure capitals.