

Friday 1 September 2011, Geelong

**SELECT COMMITTEE ON THE SCRUTINY OF NEW TAXES**

**Geelong Galvanizing Responses to Questions on Notice**

**QUESTION 1**

**CHAIR:** Where is your main competition? Who do you compete with internationally in terms of imports coming in that might take market share from you?

**Mr Chaston:** You only have to look at some of the large projects in Western Australia and the Top End that have now been fully imported pre-galvanised. We are talking hundreds of thousands of tonnes. I can get you figures.

**ANSWER**

Our main competition domestically is Galvanizers in Adelaide (2), Shepparton, Campbellfield (2), Dandenong and Bayswater.

There are a total of 35 Galvanizers in Australia that compete in the market.

Internationally, we compete with fully imported steel, prefabricated and Galvanized from China. I have been advised that also India has activity in this area.

Estimates of Steel lost to imports are in the area of up to 50%. That is all steel that is imported, the Galvanizing component of this is approximately 15% of the total steel market.

The ASI have quoted that 80 to 90% of Steel used in the mining industry is fully fabricated imported.

More accurate data is available from the Australian Steel institute.

As Galvanizing service this market we are only in a position to estimate total tonnages.

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**QUESTION 2**

**Senator FIFIELD:** If you happened to be in the fortunate—or unfortunate; I am not sure—position of being the Prime Minister for a day, what decisions would you take to give your business a better competitive position?

...

**Senator FIFIELD:** Both. Your business and the industry in general.

...

**Senator FIFIELD:** It can be anything. Are there any particular taxes that you would want to see gone, any changes to industry policy or changes to government regulation?

**Mr Chaston:** There are quite a few issues that I would like to address. There are the uneven taxes across the board and the unlevel playing fields going into other sectors. But as a question without notice I could not tell you one thing that I would do.

**Senator FIFIELD:** Feel free to take that on notice, because part of the purpose of this committee and these hearings is to hear from businesses as to how their lives could be made easier and how their position could be made competitive. If you could take on notice those things which would particularly assist your business and your industry, that would be helpful.

**ANSWER**

As far as the question Senator Fifield posed in regards to one single thing I could change, in reflection the answer would be:

“Any Carbon Tax/Price impost that is borne by an Australian Industry is reflected on any equivalent imported item/service. This would help ensure and unbiased competitive playing field.”