

## **ASI feedback on the Australia-India Comprehensive Economic Cooperation Agreement**

The ASI has reached out to members involved in steel product manufacturing in Australia to seek their feedback on your questions. For clarity, the definition of a steel product manufacturer is a business that undertakes elaborate transformation of steel intensive feed materials to produce an end user finished products.

At the time of writing, there have only been responses from three of the businesses that were contacted. The businesses that responded are engaged in the manufacture of:

- Steel rope products, such as are used for open cut mining and highway barriers;
- Steel strapping, such as is used for load restraint and product transport;
- Industrial building products such as galvanized walkways, staircases, and structural support components.

The feedback provided was as follows:

### **Feedback comments #1**

- Greater than 90% of our steel raw (semi-finished) materials comes from an Australian supplier. Is this likely to result in lower cost semi-finished steel being available for us to source?
- Is this a reciprocal arrangement? There is an Indian supplier of our finished product, which is a new/growing competitor for us in Australia. This is undesirable.

### **Feedback comments #2**

- Currently imports of our product from India are negligible. Removing the 3% tariff will have minimal impact as I think the bigger issue for India vs. other Asian countries is freight.
- As for the first point ['melt and pour' as the origin-conferring rule] provided whatever is agreed applies both ways it probably fair, personally I think it should not matter what the source of raw material is for an Australian manufacturer. Also, how would this rule be enforced? If I was exporting my product to India from Australia how would anyone know if I used BlueScope steel or import cold rolled steel from Asia especially if I had a dual supply. Seems like a potential rule open to abuse.

### Feedback comments #3

- We are currently looking at sourcing some of our input components that aren't made locally, from India. So, this may help us if that goes ahead.
- We would need more time to consult across our business [which has multiple divisions] to provide a more comprehensive response.

David Varcoe

**State Manager NSW/ACT**  
**National Manufacturing Advisor**

Mobile: 0419136720

Email: [davidv@steel.org.au](mailto:davidv@steel.org.au)

website: [www.steel.org.au](http://www.steel.org.au)

G1, Ground Floor  
25 Ryde Road, Pymble  
NSW 2073  
PO Box 197, Macquarie Park BC, NSW 1670