



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

Federation Chamber

PRIVATE MEMBERS' BUSINESS

Steel Industry

SPEECH

Monday, 2 May 2016

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Monday, 2 May 2016
Page 4105
Questioner
Speaker Jones, Stephen, MP

Source House
Proof No
Responder
Question No.

Mr STEPHEN JONES (Throsby) (12:07): The workers of the Illawarra do not need to be lectured about the importance of trade and trade agreements. We know all about the importance of trade in the Illawarra. We have been trading with the world since the harbour at Port Kembla was first built—from wool to steel to grain to coal, cars and containers. They all pass through the port, creating jobs and opportunities for local businesses. We know about that. But the steelworks remains an anchor business for the region.

The steel industry has changed. There is a bigger market and the supply has doubled over the last decade. Over 800 million tonnes a year is now being produced by China—over half the world's supply. We have gone through the changes in the Illawarra. We have gone through them most recently when we saw up to 1,000 workers lose their jobs as a result of the restructuring. If it were not for the hard work put in by the workers at BlueScope, and their unions, the business would not be there today. But we know that something more needs to be done. If the biggest supplier in the market is not responding to obvious market signals then Australia must act to protect its industry from businesses that do not play by the normal rules. This is exactly what is happening.

Labor has a plan. We need a plan, but the Turnbull government, seemingly, only has a plan to save the seat of the Minister for Industry, Innovation and Science, who has no real plan for steel. He has a plan to get beyond the next election, but he has not got a plan for the future of the steel industry. By contrast, Labor has a plan that is both tough and legal, and it is proven. We will mandate Australian standards in federal government funded projects. We will do that. We will ensure that it is Australian standards and Australian steel that are going in to those Australian funded projects. We will maximise the use of locally produced steel in government funded projects, and we will make businesses planning large projects put in place Australian Industry Participation Plans. Currently, if it is less than \$500 million it does not have to put in such a plan, but under Labor's proposal the threshold will be lowered to \$250 million for such projects. They will be required to put in place a plan which shows how local businesses can get a slice of the action and are not excluded because of the operation of global supply chains.

Labor will double the funding for the Australian Industry Participation Authority. This is an authority that was put in place as part of the Australian Jobs Act. These guys voted against it. They have never supported the Australian Jobs Act, just like they do not support Australian jobs. They gutted the staffing for it. Is it any wonder it is floundering today? Labor will also help small and medium-sized steel fabricators become more competitive through a steel supplier advocate.

But we all know that you need a cop on the beat, and you need to ensure that the cop is funded. So we will toughen our antidumping laws and we will ensure that the regulator has resources to act quickly and to stamp out job-killing dumping of overseas steel into Australian markets. Minister Pyne has not acted on the Anti-Dumping Commission report. We will use it to tighten our antidumping rules. The plan is tough. It is legal and it is proven. This model has been road-tested in South Australia. When similar measures were put in place, local content shifted from 40 per cent to 91 per cent. It is tough on illegal and unfair practices, and it is also legal. And that is important. There is a lot of populism in this area. But it is important because we know that the measures that we put in place will not result in our exports being hit by retaliatory actions against our products in other countries.

My colleagues have been talking about the naval shipbuilding exercise. That is very important; \$90 billion worth of new projects are going to be built over the next two decades. The member for Hindmarsh let the cat out of the bag. He let the cat out of the bag because we are getting all sorts of mixed messages from the Prime Minister and the defence minister about what is going to happen with Australian steel in this project. One day we are told by the Minister for Defence that it cannot possibly be Australian steel because we do not make it. I would invite the minister to visit BlueScope Steel and Bisalloy where we made the same steel previously, and where our steel is a preferred supplier for defence industries overseas. What an absurd situation we are going to have under this government, where defence industries in other countries are using our steel because it is a preferred product, but these guys over here say, 'Maybe we will and maybe we won't.' We deserve something a bit better

than that. Labor's got a real plan for the industry, and if we are backed in at the next election we will ensure that we continue to have a steel industry in this country.

The DEPUTY SPEAKER (Dr Southcott): Has the time allotted for this debate expired?

Mr STEPHEN JONES: I hope not.

The DEPUTY SPEAKER: No. I call the member for Grey.

An opposition member: Point of order.

An honourable member interjecting—

Mr Ramsey: I seek leave to speak—

An opposition member: The member has already spoken in this debate. The call should go to the member for—

Mr Hutchinson: In that case, the member for Grey has won the debate.

Ms Claydon: Leave is not granted.

Mr Hutchinson: If you will not let him speak, he has won the debate.

Mr Ramsey: My understanding is that there has already been a precedent today.

The DEPUTY SPEAKER: Order! Is the member for Grey seeking leave?

Mr Ramsey: Yes, Deputy Speaker. I spoke earlier on this issue and I understand there has already been a precedent in this chamber today where a member has spoken twice, and I seek the same privilege.

The DEPUTY SPEAKER: Is leave granted? Leave is not granted. I call the member for Newcastle.

Mr Champion interjecting—

The DEPUTY SPEAKER: Order! The member for Wakefield has already been warned.