



## **News Release**

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STOCK EXCHANGE LISTINGS: NEW ZEALAND (FBU), AUSTRALIA (FBU),.

### **Steel Industry Safeguard Action**

Auckland, 21 June 2002. A joint government and industry group has been established to monitor steel imports into New Zealand. This comprises the Ministry of Foreign Affairs, Department of Economic Development, the Customs Department, the Engineers Union, NZ Steel and Pacific Steel, as a response to the USA recent Section 201 action.

The introduction in March of severe tariff protection on steel imported into the USA has triggered a flow-on effect on many countries taking actions to protect their local steel industries. New Zealand is the 25<sup>th</sup> country to implement some form of monitoring body or tariff increases.

Pacific Steels' General Manager, Alan Pearson, stated "the establishment of such a body is a very positive step. The international steel community is currently in a state of flux with some 16 million tonnes of steel displaced from USA markets and looking for an alternative home. The New Zealand domestic steel market is approximately 500,000 tonnes and any predatory action by an offshore steel producer could have adverse repercussions for the NZ steel industry, which employs either directly or indirectly over 6000 people".

Pacific Steel this year celebrates 40 years of producing reinforcing steel, wire rod and small sections. Over 200,000mt of scrap is recycled through the Otahuhu plant each year.

Mr Pearson stated that "Pacific Steel is very proud of its history and the fact that for 40 years we have provided an essential service to New Zealand by recycling scrap and manufacturing steel for the construction, manufacturing and farming sectors. The establishment of this taskforce will enable New Zealand to monitor the importation of steel with the view of responding rapidly to any behaviours or practices considered detrimental to New Zealand's steel industry interest".

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