

ASI Quarterly Update

Spring 2023

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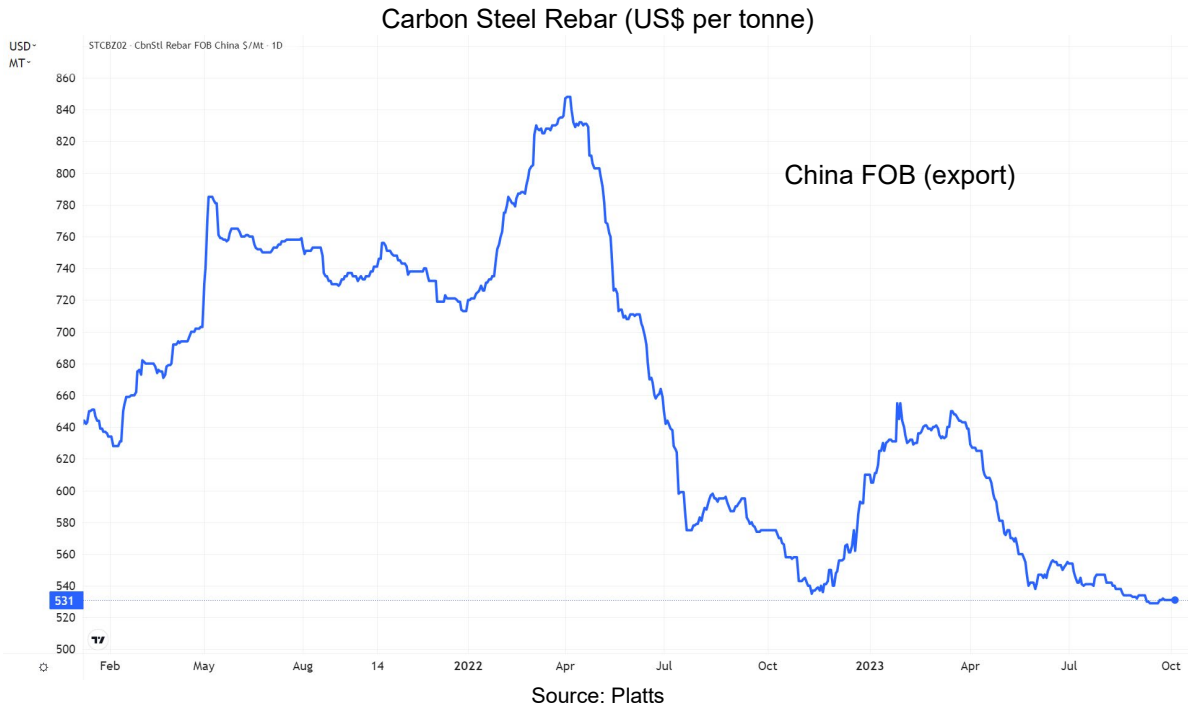
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Benchmark price assessments provided by [S&P Global Commodity Insights](#) 'Platts'



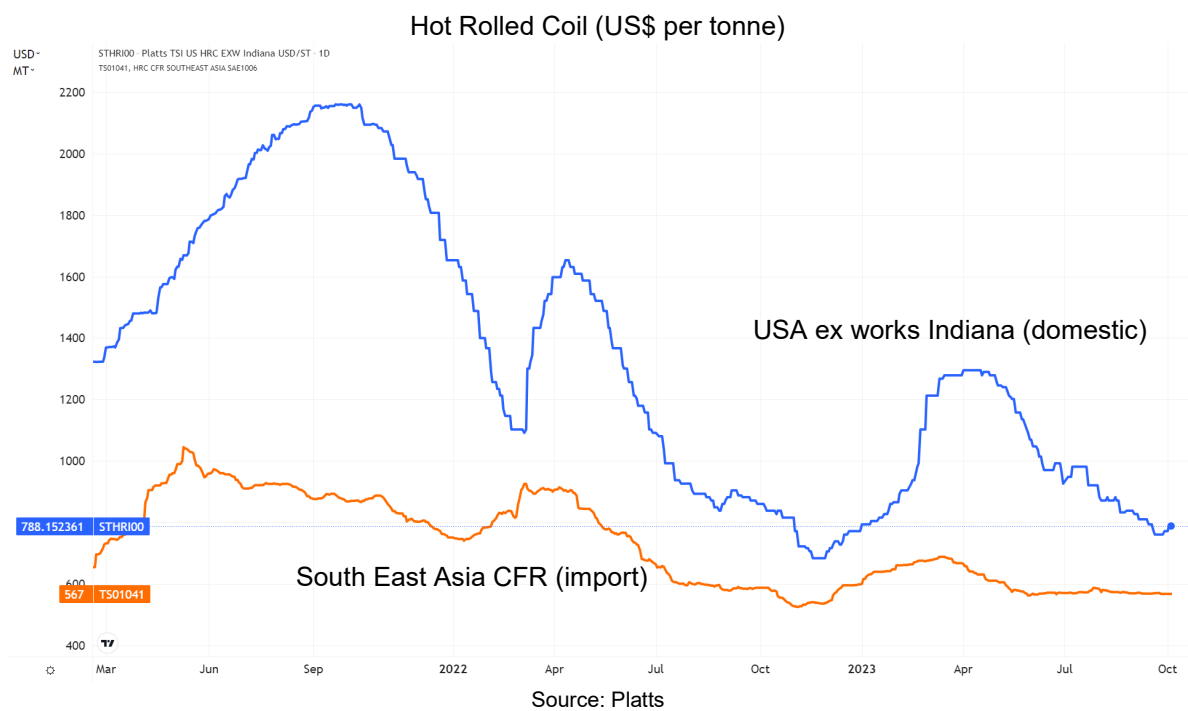
International steel price, cost and profitability trends

- Reinforcing bar price



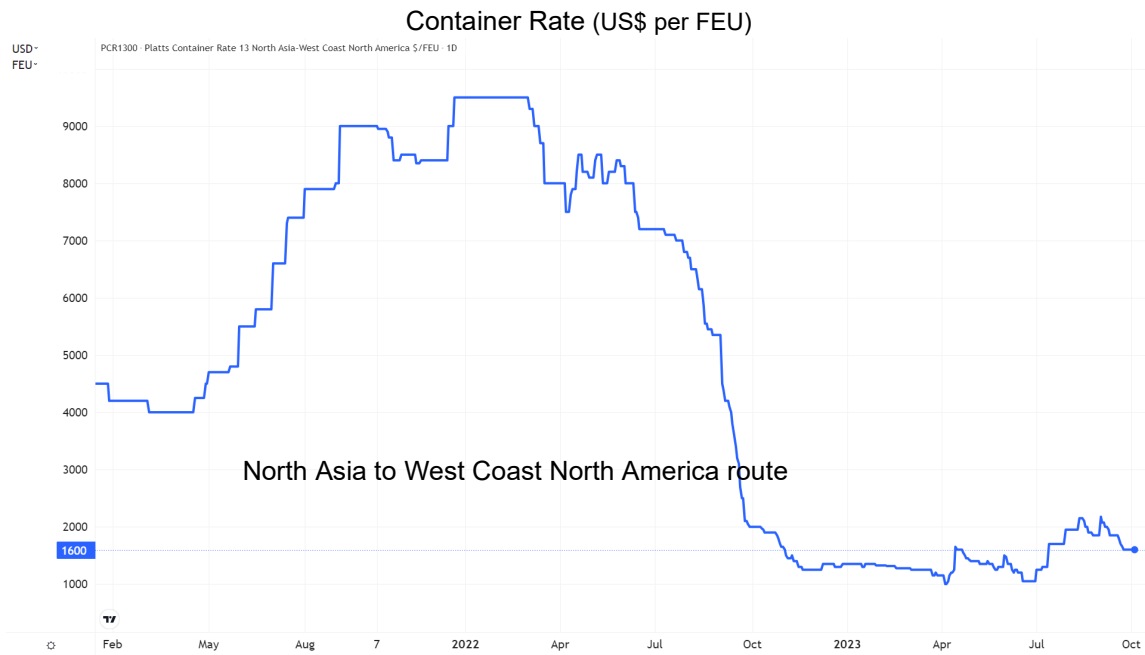
This series demonstrates a return to prices more typical of the pre-pandemic period.

- Flat steel prices



Both series demonstrate a return to prices more typical of the pre-pandemic period.

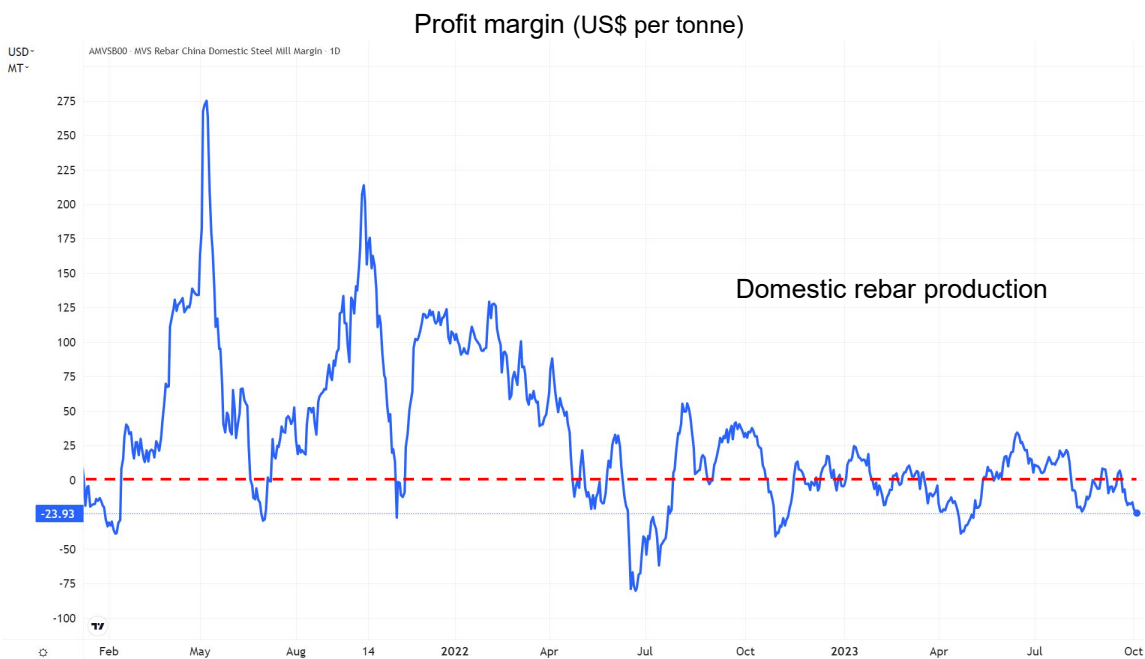
- **International freight cost**



Source: Platts

This series demonstrates a sustained return to rates comparable to, or below the pre-pandemic period.

- **China steel mill margin**

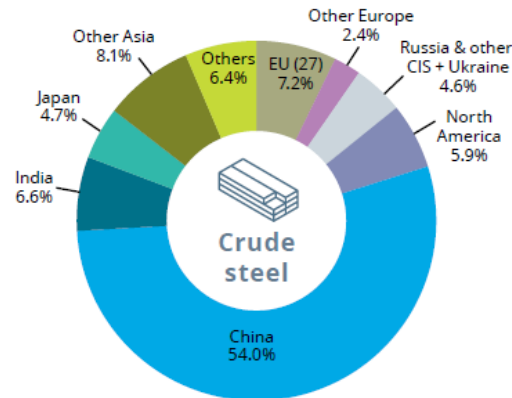


Source: Platts

This series demonstrates that China rebar mills continue to operate on very thin profit margins, alternating with sustained periods of negative profit margin.

Focus on China market factors

- Global crude steel production in 2022 was 1,885 million tonnes



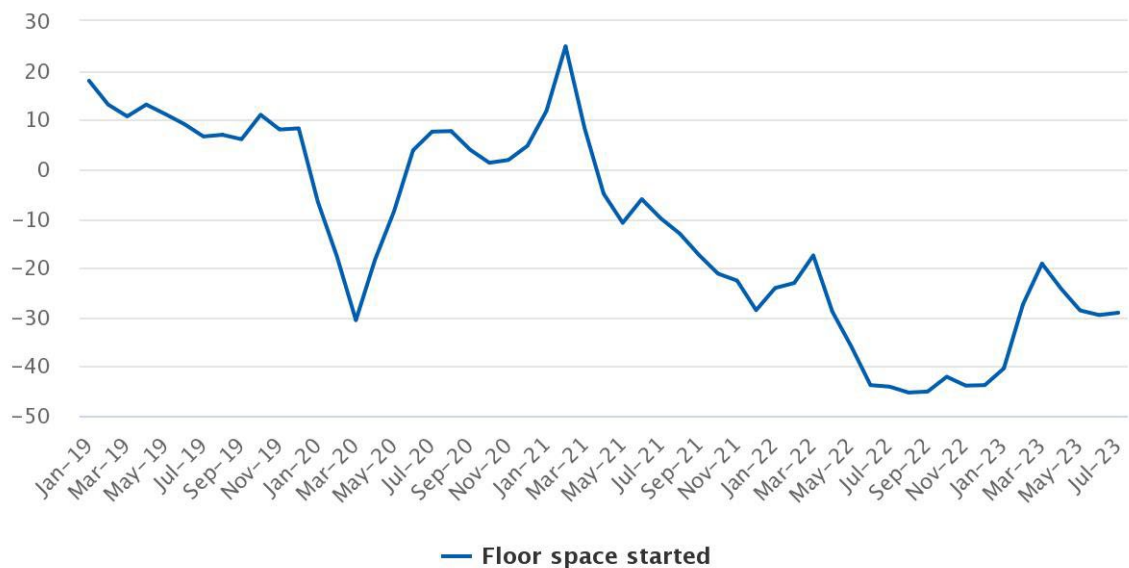
Others comprise:

Africa	1.1%	South America	2.3%
Middle East	2.7%	Australia and New Zealand	0.3%

China contributed 54% of global production, contrasting with 0.3% for Australia and New Zealand combined. Chinese central government policy settings continue to be important to watch for potential flow-on impacts on other markets.

Residential floor space started (3 month moving average, %, y-o-y)

Source: National Bureau of Statistics of China



constructsteel.org

The China property market, which is a significant consumer of steel products, remains in negative sales growth suggesting reduced domestic demand.

ASI Initiatives

- **Steel Skills Strategic Initiatives**

NSW

ASI Training and Development Manager, Anne Lobascher, recently attended an Engineering and Manufacturing Showcase in Tamworth, hosted by range of local industries including ASI member Belmore Engineering. The Showcase provides an opportunity to coordinate the job opportunities available in metal trades such as fabrication and boilermaking, and present these to local high school students. ASI is looking to take this model to other regions as means to attract job applicants to apprenticeships. Please contact David Varcoe davidv@steel.org.au for more information.

South Australia

The ASI is working closely with the Department for Education to implement a range of activities with the support of ASI members in 2024. These include:

- Host a site tour of member facility;
- Guest speaking in High Schools;
- Participate in the Student Pathways and Careers Expo in 2024;
- Capacity to employ school-based apprentices; and/or
- Connecting with the new Findon Technical College.

These serve to increase student awareness of possible career opportunities and knowledge of the steel industry, provide secondary students with positive immersion experiences/activities in the steel industry, and support student access to career pathways into the steel industry.

If you would like to know more about this strategy, please contact Sulfianda Soeleiman sulfiandas@steel.org.au.

National

The ASI partnership with WorldSkills Australia (WSA) to sponsor the August 17-19 WSA national championship at the Melbourne Convention Centre has reaped rewards, with thousands of attendees visiting the show each day and more than 150 people visiting ASI's shared stand with Weld Australia and the Outsource Institute. The virtual welder proved to be a great drawcard.

The WSA Championships & Skills show is a serious competition akin to the Olympics for skilled trades. ASI was formally recognised in the closing ceremony as a supporting partner in the manufacturing and engineering technology cluster and presented the gold medal to the winner for construction steelwork. Gold medallists can compete at the 47th WorldSkills International Competition 2024 in France.

If you would like to know more about this strategy, please contact John Gardner john@g@steel.org.au.

- **State Government Advocacy for Local Steel Content, Sustainability, and Quality Assurance**

Queensland

The ASI has engaged with the Queensland government on the Brisbane 2032 Climate Positive Games. Advice received from the government is that all new vertical infrastructure projects or significant upgrades will target six star (world leadership) Green Star for Buildings ratings from the Green Building Council of Australia, where relevant. Sustainable construction materials will need to be sourced across the Brisbane 2032 infrastructure program to meet this commitment, which will include a significant demand for lower carbon new, recycled and reused steel products.

ASI's Sustainability Manager Jerusha Beresford is to present details of the ASI Steel Sustainability Australia scheme to the executive team in the Olympic and Paralympic Infrastructure Office, Queensland Department of State Development, Infrastructure, Local Government and Planning. Please contact John Gardner johnhg@steel.org.au for more information.

South Australia

The ASI continues to regularly engage SA Office of the Industry Advocate, SA Department of Infrastructure & Transport (DIT) and Infrastructure SA to advocate on behalf of ASI members and the domestic steel industry for local steel content and quality compliance certification for the supply, fabrication, and erection of structural steelwork to AS/NZS 5131 as required under the ASI National Structural Steelwork Compliance Scheme for SA Government transport and infrastructure projects.

Victoria

The ASI has lobbied strongly with the Vic Govt's Local Jobs First policymakers in which we have highlighted to the VIC Govt Department of Jobs, Skills, Industry and Regions (DJSIR), the Local Jobs First Commissioner and ICN VIC that under the VIC Local Jobs First Additional requirements, 95% local steel content applies for the Victorian Renewable Energy Target projects (VRET2). The Office of the VIC Local Jobs First Commissioner are investigating any potential deviations from a Local Jobs First Compliance and Regulatory perspective.

In relation to the privately owned Golden Plains Wind Farm project in Victoria in which the steel is not being sourced locally, the ASI lobbied the Federal Government and received a supportive response from The Hon Ed Husic MP, Minister for Industry and Science regarding the Australian Industry Participation (AIP) Plan stating that the Department of Industry and Science will continue to work with suppliers, project proponents and agencies like the Clean Energy Finance Corporation (CEFC) to ensure there is full, fair and reasonable opportunities for Australian suppliers to participate in projects.

If you would like to know more about these initiatives, please contact Sulfianda Soeleiman sulfiandas@steel.org.au.

- **NSW Steel Industry Tours – Illawarra and Western Sydney Site Visits**

The ASI, in partnership with Inside Industry, is again offering a full day program of site visits covering the steel industry value chain in the Illawarra and Western Sydney regions during October. These visits provide an end-to-end experience of the complete manufacturing process from raw materials through to fabricated precision engineering products.

This initiative has proven to be popular, with previous tours being booked out within days of opening.

For more information, please contact David Varcoe davidv@steel.org.au.

- **WA Department of Jobs**

The new The Local Capability Fund (LCF) provides businesses with access to funding to improve capacity and competitiveness. Please refer to the link in the Funding Schemes section for more information.

Project Opportunities

The following links provide reports and listings of major projects in the planning or execution stage.

Infrastructure

Australia

- [Infrastructure Australia – Infrastructure Priority List](#)
- [National Grants and Programs Major Project Status](#)
- [Industry Capability Network \(ICN\) Gateway](#)
- [Commonwealth Department of Industry, Science, Energy & Resources - Resources and Energy Major Projects 2021](#)
- [Australian Mining \(commercial publication\) news on current mining projects](#)

Australian Capital Territory

- [Major Projects Canberra – Projects Pipeline](#)

New South Wales

- [Infrastructure NSW – Major Projects Infrastructure Pipeline](#)
- [Transport for NSW - Infrastructure Pipeline](#)

Northern Territory

- [Northern Territory Major Projects](#)

Queensland

- [Queensland Government Infrastructure Pipeline](#)
- [Queensland Major Projects Pipeline Report](#)
- [Queensland Government major projects assessments and approvals](#)
- [Queensland Department of Transport and Mains Roads Projects](#)
- [Construction Skills Queensland Project Search](#)

South Australia

- [Infrastructure SA](#)
- [SA Department for Infrastructure and Transport](#)

Victoria

- [ICN Victoria Projects List 2023](#)

Western Australia

- [WA Project Procurement Pipeline.](#)
- [WA Transport Projects](#)
- [Map of resource projects in Western Australia](#)

Manufacturing Industry Grant Funding Schemes

Australian Government

The new Commonwealth government has revised the available funding schemes, with the following links providing details on what is now available. The Australian Government has committed \$15 billion to establish the National Reconstruction Fund (NRF).

- [AusIndustry Portal Grants and Programs Finder](#)
- [National Reconstruction Fund: diversifying and transforming Australia's industry and economy](#)

New South Wales

- [Grants and funding](#)
- [Reducing Emissions for NSW](#)

Northern Territory

- [Business grants and funding](#)

Queensland

- [Business Queensland Grants](#)
- [Queensland Manufacturing Hubs Grants Program](#)
- [The \\$20 million Round 6 of Made in Queensland grants will open for applications on 16 October 2023 and close 11 December 2023](#)

Victoria

- [Business Victoria Grants & Programs](#)
- [Industry R&D Infrastructure Fund](#)

Western Australia

- [Grants Assistance and Programs Register](#)
- [Local Capability Fund](#)

2023 Planner

- **October 2023**

- [Face to Face Seminar series – Finite Element Analysis \(FEA\) of Steel Structures – Reducing Risk and Optimising Design](#)
- To be held in Brisbane, Sydney, Melbourne, Adelaide and Perth these seminars provide an overview of the positives and negatives of FEA with particular emphasis on fatigue and weld design and are of specific value for structural, mechanical and forensic engineers.

- **November 2023**

- [Webinar – Reducing the Risk of Fatigue Failure of Fabricated Steelwork](#)
- This webinar which is available to view on-demand from 8th November for a four week period aims to shed light on the various aspects affecting fatigue in steel structures, including its causes and mitigation techniques.

- **February 2024**

- [Face to Face Seminar series – AS 4100 Steel Structures Design](#)
- To be held in Brisbane, Sydney, Melbourne, Adelaide and Perth these seminars will be beneficial for all structural engineers, particularly those who are not frequent users of AS 4100 or need their skills updated. For experienced engineers, the seminars will provide an opportunity to get expert feedback on issues of concern or clarification of code requirements. The seminar will also include awareness of the expected revisions to AS 4100.

About the Australian Steel Institute (ASI)

The ASI is the nations peak body representing the entire steel supply chain, from the primary producers through to end users in building and construction, resources, heavy engineering and manufacturing. The ASI membership base includes approximately 6,000 individuals that are associated with more than 500 corporate memberships and over 350 individual memberships.

A not-for-profit organisation, the activities of the ASI extend to, and promote, advocacy and support, steel excellence, standards and compliance, training, events and publications. The ASI provides marketing and technical leadership to promote Australian-made steel as the preferred material to the resources, construction, and manufacturing industries, as well as policy advocacy to government.

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