Why is Structural Adjustment Important?

Steve French
Australian Treasury
Introduction

- Benefits of structural reform:
  - Higher sustainable growth and increases in living standards
  - Higher employment
  - Efficient allocation of resources
  - More flexible economy
  - Lower prices
  - More choice for consumers
  - Enhanced international trade and investment opportunities
Structural reform is not a choice

- Reform is either embraced or forced upon an economy
- Closed, rigid economy is not sustainable
  - Opportunity costs eventually force change
- Attempts to avoid reform fail
  - More difficult adjustment period
Reform experience

- Australian currency and trade reform
  - Floating of the currency
  - Reduction of trade barriers

- Subsequent waves of reform
  - Privatisation
  - Deregulation

- Reform is not without costs
  - Dislocation of labour
  - Regional impacts
The Reform Process

- Role for government: Managing the process
- Importance of macroeconomic stability
- Microeconomic reforms should, where appropriate, be broad-based
  - Australian reforms initially undertaken on a case-by-case basis
  - Broader reforms were then pursued
Non-traded sector reforms

- Non-traded sector reforms impact on the traded sector
  - Labour market reform
  - Product market reform
  - Financial market reform

- Different approaches necessary
  - Deregulation
  - Privatisation
  - Access regimes
Competition reforms

- Australian competition underpinned by:
  - National competition policy
  - Strong competition laws
  - Structural separation of utilities
  - Creation of independent regulatory authorities
  - Corporate law reforms
Maximising the benefits of reform

- Broad, cross market reform
  - Flexibility
- Productivity gains from reform
  - Stronger economic growth
- Dynamic effects of growth
- Empirical link between reform and productivity, employment and economic growth
Minimising costs of reform

- Some adjustment costs inevitable
  - Role for government
- Adjustment assistance
- Reform sequencing reduces costs
  - Macroeconomic stability
  - Robust institutions
- Identification of costs including distributional impacts of reform
Results of reform

- More than a decade of continuous economic growth
  - Unemployment fallen from 10.7% to 5.7%

- Record productivity growth
  - Labour productivity growth average 3.1%
  - Multifactor productivity growth average 1.7%

- Economic output 2.5% higher than without some reforms
Telecommunications

- Real price decreases between 1997 and 2002-03 of 20.1%
- Fixed to mobile costs down 23%
- Mobile call costs down 23%
International call costs

Chart 1: Index for International Calls for all Consumers Between 1997-98 to 2001-02

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Index</th>
</tr>
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<tbody>
<tr>
<td>1997-98</td>
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<td>48</td>
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<td>2001-02</td>
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</table>
National long distance call costs

Chart 2: Index for national long distance calls for all consumers
1997-98 to 2001-02
Local call costs

Chart 3: Index for local calls for all consumers
1997-98 to 2001-02
Other reforms

- Aviation: discount fares reduced by more than 30%
- Average national residential electricity prices fell almost 13% between 1993 and 2002
  - Prices to business fell around 11.5%
International electricity prices

1. In 2001 or latest year available.

Broad, well-managed structural reform across product, labour and financial markets leads to:

- Greater competition
- Greater efficiency
- More flexible labour market
- Higher multifactor productivity growth
- Lower unemployment
- Higher economic growth.
The role of competition policy in structural adjustment

An overview of recent Australian structural reforms

Joe Dimasi
Executive General Manager – Regulatory Affairs Division
Australian Competition and Consumer Commission
9 September 2004
Introduction

• Australia undertook major reform in National Competition Policy (NCP) in early 1990s
• Was a response to concerns about Australia’s poor economic productivity performance
  – GDP per capita and GDP per hour were ranked 16th out of OECD member countries
• NCP followed an independent review (Hilmer review)
• Focus of reforms was competition: competition was recognised as a means of enhancing community welfare by promoting a more efficient use of resources
Overview of the reforms

- Reforms included:
  - The creation of an economy wide competition law
  - Competitive neutrality between government and private enterprises
  - Removal of regulatory restrictions to competition
  - Structural reform of public monopolies
  - Access to essential facilities
  - Prices oversight to constrain monopoly pricing
Economy wide competition law

• In Australia, anti-competitive conduct rules (e.g. prohibitions on anti-competitive agreements, misuse of market power and certain mergers) are embodied in the *Trade Practices Act*

• The reforms gave these laws economy-wide application: due to constitutional law issues, these laws did not previously apply to state owned business enterprises or unincorporated associations

• Economy-wide application enables a consistent and uniform application of competition law

• Process in place to authorise anti-competitive conduct where competition benefits may not be sufficient to offset other social costs
Competitive neutrality

• Despite competitive neutrality at law, governments could still confer financial advantages upon their own businesses

• When operating in markets where private operators are present, governments agreed to a set of competitive neutrality principles, including:
  – Charging cost reflective prices, adopting corporate models, paying or making allowances for government taxes and commercial borrowing rates, and complying with the same regulations as private businesses

• These principles expressly did not apply to non-business, non-profit activities of government businesses

• Important as governments increasingly contracting with private operators to provide services
Removal of regulatory restrictions

- Despite economy-wide application of the *TPA*, regulatory barriers may impede emergence of competition in certain markets
  - E.g. legislated monopolies for public utilities, statutory marketing schemes and professional licensing arrangements
- Governments agreed to a systematic review of existing legislation
  - Restrictions on competition to be removed unless the benefits as a whole outweigh the costs and restricting competition was the only way to achieve those benefits
- Establishment of institution (National Competition Council) to monitor progress
Structural reform of public monopolies

- An economy wide competition law can protect competition but it cannot create competition in industries that lack a competitive market structure
  - E.g. gas and electricity industries were traditionally vertically integrated and mostly state owned monopolies
- Governments agreed to structural reform of public monopolies to separate the contestable and non-contestable elements
- The policy did not require governments to privatise their activities, but did require a transparent process to identify functions or activities that should stay with government, if the business was privatised or corporatised
Access to essential facilities

• Competition may still not be possible in markets with ‘natural monopoly characteristics’
  – Problem common to a lot of network infrastructure
• To compete in related markets, new entrants need access to existing infrastructure
• Governments agreed to a national third party access regime for facilities that could not be economically duplicated and were of national significance
• Purpose was to create competition in industries dependent upon that infrastructure, not competition within the infrastructure industry itself
Prices oversight to constrain monopoly pricing

• In markets that are not contestable, businesses may have the ability to charge prices above competitive market prices for extended periods of time
  – Problem common to a lot of ‘natural monopolies’
• Governments recognised that competition law will not constrain ‘monopoly pricing’ and introduced regulation to constrain pricing in a number of industries
• Purpose was not to create price competition in the infrastructure industry, but rather to preclude monopoly pricing from restricting the emergence of competition and more efficient outcomes in dependent industries
Industry specific reforms

- Economy wide reforms were accompanied by a number of sector specific reform initiatives
- Sector specific structural reform and access regulation were introduced into a number of industries as part of the reform of public monopolies
- Comment on four major sectors:
  - Electricity
  - Gas
  - Telecommunications
  - Rail
Electricity reforms

- Historically state based and publicly owned with each state largely self-sufficient in terms of generation
- Infrastructure for generating, transporting and retailing electricity was vertically integrated
- Governments agreed to:
  - Place utilities on a commercial footing
  - Vertical separation of infrastructure
  - Allowing for customer choice of supplier
  - Implementing a system of third party access to transmission and distribution infrastructure
  - Establishing a wholesale electricity trading market
Electricity reforms – Cont.

- Outcomes
  - Electricity wholesale prices have fallen (by around 50% in NSW and Victoria)
  - Retail prices have fallen for larger customers
  - Price differentials for summer peak: better investment signals
  - Greater interconnection

- Investment in regulated transmission sector is at a historically high level
Gas reforms

- Historically state based with supply to demand centres typically met by a single basin through a single set of pipeline infrastructure.
- Infrastructure for transporting gas to demand centres was largely publicly owned and vertically integrated (across transmission, distribution and retail).
- Governments agreed to:
  - Remove legislative restriction upon interstate trade of gas
  - Place utilities on a commercial footing
  - Vertical separation of infrastructure
  - Allowing for customer choice of supplier
  - Implementing a system of third party access to transmission and distribution infrastructure.
Gas reforms – Cont.

• Outcomes:
  – Some emerging competition between basins
  – Greater security of supply through improved interconnection
  – Higher level of investment in the regulated transmission sector
Telecommunications reforms

- Historically dominated by single government owned national carrier with a legislative monopoly
- Duopoly in fixed line telephony and triopoly in mobiles introduced in 1991
- Full competition and revisions to the regulatory framework in 1997
Telecommunications reforms

• Introduction of an access regime has been particularly significant as structural reform of the horizontally and vertically integrated national carrier has been limited

• Outcomes
  – Prices have fallen significantly – between 1977/8 to 2001/2 average basket of telecommunication service fell around 20%
  – Investment has been high
  – Quantitative estimates put growth to economy at $10b as a result of the reforms
Rail reforms

• Historically, the interstate track network was state based, with differences between states in the operation of networks restricting competition across the entire network
  – E.g. track widths varied between states

• Governments introduced reforms:
  – Vertical separation of rail ownership from above rail businesses of some government entities
  – Corporatisation and privatisation of some government entities
  – Establish a single corporation responsible for the management and operation of Australia’s interstate rail network
Rail reforms – Cont

– Co-regulation of safety across states and mutual recognition of accreditation
– Improving uniformity of technical standards and operating practices
– Implementing systems of third party access to various track networks

• Outcomes
  – Improved volumes
  – Increased train lengths
  – Gross mass per train has improved
Outcomes of Reforms

• While a causal link is inherently difficult to establish, NCP and related reforms have coincided with the most consistent and sustained period of economic growth in Australia’s history
  – GDP per person has grown by 2.5 per cent a year since 1990 compared with the OECD average of 1.7 per cent
  – Australia’s OECD ranking has risen from the low of 16th in 1990 to eighth in 2002
  – Australia’s Productivity Commission estimates that household income is $7,000 per annum better off as a result
Paper - Building a Domestic Constituency for Structural Adjustment
Mr Rober Kerr
PDF Download (14MB)

Paper - A Government Perspective to Structural Adjustment in the Australian Automotive Industry
Mr Rober Kerr
PDF Download (4MB)

We apologise but these papers can be downloaded separately due to file size.
APEC High Level Conference on Structural Reform
8-9 September 2004, Tokyo

Promoting Structural Adjustment:
Deregulation and Structural Adjustment in the Context of Wider Macroeconomic Reform Processes - The New Zealand Agriculture Experience

Murray Sherwin, Director General
New Zealand Ministry of Agriculture and Forestry
New Zealand: setting the scene

- New Zealand similar in size to Japan or 3% of China
  - 4 million people
- Climatic conditions
  - Abundant rain and sunshine, mild to warm temperatures
  - Grass grows all year round and livestock are grazed outdoors
  - 1 600 kilometres from subtropical North to cool South
  - Mountainous terrain, variable soils
- Land use
  - 74% of farm land is in permanent pasture
  - 70 000 farms
Problems with New Zealand’s economy before 1984

- No coherent economic strategy - acute problems
  - Fiscal deficit, public debt, current external deficit
- Tight financial sector controls and a fixed exchange rate
- High unemployment
- Government control pervasive
  - Import licensing, price and wage controls, interest rate controls
- Manufacturing
  - Grew behind quotas and tariffs and became increasingly inefficient
  - Protection of domestic manufacturing base increased costs to agriculture
Broad economic reforms, 1984 onward

- New Zealand dollar devalued and floated
- Tax and banking systems overhauled
- Export assistance removed, tariffs reduced
- Many government businesses corporatised or privatised
- Price stabilisation via tight monetary policy
- Labour market reform
- Capital flows liberalised
- Regulation of domestic markets reduced
State sector reforms, 1984 onward

- **Principles for reform of the state sector:**
  - Do not involve the state in any activities that would be more efficiently and effectively performed by the community or by private business.
  - Structure government trading enterprises along the lines of private sector.
  - Separate government policy and service delivery functions.
  - Make government managers fully accountable for the efficient running of their organisations.
Impact of the reforms

• A sound macroeconomic policy framework
  – Reduced inflation and a fiscal surplus
• Improvement in economic growth since early 1990s
  – One of faster growing economies in OECD during past decade.
• Growth in service sector (particularly trade, transport and communications, business services etc)
• Clearer price signals in for producers and consumers across all sectors
• A more flexible labour market and improvements in labour utilisation
• Efficient and responsive public sector
• Increased openness of producers to international competition
THE CASE OF AGRICULTURE:
overview of agriculture in New Zealand

- **Pastoral farming dominates**
  - Sheep: 39.7 million
  - Beef cattle: 4.6 million
  - Dairy cattle: 5.1 million
  - Deer: 1.7 million

- **Horticulture is increasingly important**
  - Kiwifruit orchards: 12,400 ha
  - Apple orchards: 12,200 ha
  - Wine grapes: 19,600 ha

- **Arable farming**
  - Wheat: 43,200 ha
  - Barley: 648,700 ha

- **Forestry**
  - 6.8% of total land area is planted in production forests, mainly *pinus radiata*
Importance of agriculture to New Zealand

- Agriculture, horticulture and forestry contribute almost 20% to GDP (in current prices, including processing and manufacture)
- Over 90% of New Zealand’s agricultural production is exported
- Agriculture, horticulture, and forestry exports total $17.6 billion, which is 62% of total exports by value
- New Zealand is the world’s:
  - No 1 sheep meat exporter
  - No 2 dairy products exporter
  - No 2 wool exporter
Government support for agriculture before 1984

- Support levels
  - 1960s: almost non-existent
  - 1970s: increased to ‘protect’ NZ from overseas shocks and to offset negative impact on exporters of high exchange rate
  - 1980-4: increased to compensate for high costs and low commodity prices

- Agricultural policy
  - Aimed at increasing production for export through government support

- Support mechanisms
  - Price supports: sheep meat, beef, wool and dairy
  - Input subsidies: such as taxation incentives, fertiliser, transport, pesticides, low interest loans, debt write-off, irrigation, research, extension and advisory services, etc. ...
Effects of government support on New Zealand agriculture

• Isolated NZ agriculture from market signals
  – loss of international competitiveness

• Misallocation of resources
  – low productivity
  – negative environmental impacts
  – subsidies capitalised into land prices

• Created dependence on government support

• Stifled innovation and entrepreneurial spirit
Agricultural policy reforms, 1984 onward

- Abolished price supports
- Removed capital subsidies and input subsidies
- Recover costs of government inspections on a “user pays” basis
- Advisory services moved to “user pays” basis. Subsequently privatised.
- Withdrew tax concessions
- Phased out interest rates and lending concessions
Impact of agricultural policy reforms

- Not as bad as feared, few farmers forced out, exit packages available
- Short term decline in farm incomes and land values, followed by recovery
- Clearer price signals led to reallocation of resources
  - Sheep numbers fell from 70 million to 40 million
  - Expansion of dairy, deer, goat, horticulture and forestry industries
- Productivity increased across all agriculture sectors
- Input costs decreased, farm size increased
- Environmental benefits from less intensive input use, better use of resources
- Stimulated investment, innovation and adoption of new technologies
- Increase in agriculture’s proportional contribution to economy
MAF Role

• NOT advocates for farmers – advocates for the wider national interest as it relates to agriculture and forestry

• MAF activities:
  – Policy advice to Government
  – Domestic business environment and regulatory framework
  – International trade liberalisation, standard-setting, and SPS assurances
  – Biosecurity maintenance, both at the border and within our environment
  – Food safety, both domestic and exported (NZ Food Safety Authority)
  – Sustainable use of natural resources
Lessons from New Zealand’s reforms

• Intervention is easier to start than finish. Reform requires strong on-going political support.

• Reform needs to be carried out on a broad front across all sectors of the economy.

• Unilateral reform confers substantial benefits on the economy, the environment and society.

• Reform has given farmers a renewed sense of self-respect: they do not want a return to government hand-outs and are strong advocates for reform.
Structural Reform: the Dairy Industry in New Zealand

Lewis Evans

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Victoria University of Wellington
Research Fellow, NZ Institute for the Study of Competition and Regulation

Prepared for the

APEC High Level Conference on Structural Reform

8-9 September 2004, Tokyo, Japan

(http://iscr.org.nz)
Overview

• Creation of subsidy-free agriculture 1983-2001

• Market (de)regulation: 2001 Dairy Reforms

• Summary of the New Zealand experience
Background to 1984

• New Zealand an economy riven by regulation
  • Forex controls
  • Import controls
  • Subsidies Manufacturing, and agricultural (30% of sales)
  • inducing extra production of unwanted product on otherwise uneconomic land
  • single desk exporting

• New Zealand economy performing badly since 1950
• Impetus for change, and crisis in 1984
1984-2000

• Structural change 1984-1991
  • economy-wide reform
  • elimination of subsidies/tariffs import controls
  • acceptable to interest groups: credibility enhanced by being applicable to all
  • Resource Management Act: focus on effects, not practices in resource decisions

• NZ Agriculture 1991-2000
  • essentially subsidy free
  • still major control of export environment via producer boards
Effects of Structural Adjustment  
1984-2003

• Major decline in farming profitability (especially sheep and beef) 1984-1993: recovery in the 1990s
• Major change in product mix
  e.g. sheep to trees/vines
• Major enhancement in product quality
  e.g. 40% less sheep/more higher quality lamb
• Major adjustment away from “uneconomic” use of inputs
  e.g. land and fertiliser
• Quite different mix of urban and rural activity
  e.g. rural residences coexisting with agriculture
• Portfolios and specialisation
  e.g. while the big get bigger- much diversification into tourism and recreation etc. increased focus on the environment
Dairy 1984-2001

All the change that had affected agriculture affected dairy: but issues remained

  a) was engendering excess production from cooperative pricing
  b) retained the single-desk export restriction - restricted entry
  c) the single-desk was becoming dysfunctional

Dairy Board single desk status: market export product (almost all of New Zealand’s manufacturing milk)

4 coops owned the Dairy Board two large (95%) two small (5%)
(down from 500 coops in the 1930s)

Ownership/competition duopoly was affecting coordination of marketing and manufacture in foreign markets
Structural Change Options At 2001

1. One large coop buy the other coops out (single desk? insist on investor firms?)
2. The (2 large) coops merge with the Dairy Board and the single desk be removed

- Option 2 was preferred by farmers and was chosen subject to regulations relating to the dominant position of the merged entity (Fonterra), allocation of quota rights, division/divestment of public and private good activities of the Dairy Board.

- Fonterra adopted fair-value share pricing that estimates the wholesale price of milk as the residual after the return on processing capital
Formation of Fonterra Cooperative Group in 2001

- Fonterra became a dominant cooperative (96% market share)
- Fair-value share pricing and open entry and exit of suppliers, and requirement to supply up to 400m litres disciplines Fonterra in the wholesale raw milk market
- The single desk limitation on competition removed from 2002
- Nature of the change meant that the competition law enforcement institution had to be bypassed to implement the policy
Dairy Performance

There has been some minor entry to date: Fonterra has continued to grow: domestic milk processed and joint ventures
Structure of Fonterra

Cooperative company structure: shares held by suppliers in the proportion to the kgs of milk solids supplied. It has interest bearing listed notes

In addition to its Board, has an elected Shareholders’ Council that monitors the company and reports to shareholders. The council appoints the fair-value share (commodity milk price) pricing analyst.

In 2002 it had three divisions
  NZMP collects milk from suppliers and produces 1000 product specifications through a supply chain to 100 countries

  New Zealand Milk: dairy based consumer and food branded products and services

  Fonterra Enterprises: innovation including its biotechnology company

In 2002 produced 7% NZ GDP, the 2nd largest dairy company in the world by volume processed and 4th by sales
Summary: NZ’s Dairy Structural Change

• Under the present regulatory structure the ultimate form of the dairy industry will depend upon the forces of the product, service, ownership labour and capital markets. There is no reason to intervene in this process. There remains some debate about the cooperative form and it is being tested.

• The approach to de-regulation in 2001 allowed an orderly transition to a de-regulated environment. The alternatives would have
  • caused performance-affecting conflict
  • placed at risk the clean deregulation of exporting, and thereby entry

• The New Zealand experience of structural change, where it is deregulation, is that it has produced flexible agriculture, and an improved allocation of resources. The removal of subsidies in agriculture has been an important part of this.
Experiences with Structural Adjustment of the Australian Steel industry
Presentation by Dr Bob Every
Managing Director and CEO of OneSteel Limited
September 9, 2004
Contents

• Global Industry Landscape
• Australian Industry Landscape
• Current Trends and Structural Impacts
• The Future of Steel
Global Steel Industry Landscape
• **Period from 1970 to 2000**
  – Global Over-capacity
    • 800 million tonnes demand
    • 950 million tonnes capacity
  – Fragmented Industry
    • 95 players produce more than 2 million tonnes p.a
    • Top player only produces 3-4% of world production

• **Since 2000**
  – Some consolidation is occurring
  – China has grown dramatically – 25-30% of world demand
  – Mega or niche to succeed
Steel in the Global Context

World Steel Consumption and GDP Per Capita, 1950-2010

1500 2000 2500 3000 3500 4000 4500 5000 5500 6000 6500
50 55 60 65 70 75 80 85 90 95 100 105 110 115 120 125 130 135 140 145 150 155 160

Post war expansion to 1970 led to predictions of seemingly endless growth
Collapse of USSR led to steel consumption collapse in Eastern Europe
First and second oil prices and subsequent recessions led to massive light-weighting of steel-containing products

China takes off!

Phase 1

Phase 2

Phase 3


Source: Macquarie Research
Steel in the Global Context

Industrial Production Growth in the 1990s

Index, 1990 = 100

- Western Europe
- Eastern Europe
- China
- Japan
- Other Asia
- North America

Source: Ecowin
Steel in the Global Context

World Steel Consumption by Region

- China
- Japan
- Other Asia
- Western Europe
- Eastern Europe
- Former Soviet Union
- Middle East
- Africa
- Oceania
- Latin America
- Canada
- Canada

Source: IISI
Global steel prices have risen dramatically in the last 12 months. Steel Production continues to rise, especially in China.
Chinese steel consumption growth will continue to drive global consumption growth. In 2003, China’s share of global consumption was 27%; this is expected to rise to 36% by 2010.
Early signs of a complementary change on the production side

Consolidation is occurring

- Corus – from merger of British Steel and Hoogovens
- Arcelor – from merger of Usinor, Arbed and Aceralia
- JFE Steel – from NKK and Kawasaki
- U.S. Steel acquired assets of National Steel
- Nucor has made four acquisitions over two years
So what does this all mean?

We may be entering a new period of growth in international steel – the first time in three decades.

It has the potential to change the balance in the industry from over to under supply.
Australian Steel Industry Landscape
Australian Steel Industry Landscape

- **1970s**
  - One Steel producer – BHP (Blast furnace based)

- **1980s**
  - Emergence of Smorgon Steel (Electric Arc furnace)

- **1990s**
  - BHP closes Newcastle steel works (1.5 million tonne facility)

- **2000s, BHP exits steel**
  - BHP spins off OneSteel Limited (long products)
  - BHP Billiton spins off BlueScope Steel (flat products)
Australian Steel Industry Landscape

<table>
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<th>Long Product</th>
<th>Flat Product</th>
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<td>Smorgon Steel</td>
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<td>900,000 tonnes</td>
<td>1.7 million tonnes</td>
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<tr>
<td>Mainly Domestic</td>
<td>Export</td>
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<td>BlueScope Steel</td>
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OneSteel

Export
Current Trends and Structural Impacts
Asian HM1 Scrap Price
Jan 1994 to Jul 2004

Source: Tex Report
Trends in International Long Product Steel Prices

Long Products International Prices
Jan 1994 to Jul 2004. (US$)

Source: CRU
Imports into Australia

**Australian Steel Imports - kt**

12 mth moving totals

Source: Australian Bureau of Statistics and OST data
Import versus International Prices

Basket of Goods (Rebar, Mebar, Structural)

Source: Australian Bureau of Statistics and OST data
Australian Steel Price Index

Prices for Steel Construction Materials from 1990-2004

INDEX (1989-90=100)

QUARTERS FROM MARCH 1990 TO JUNE 2004

Source: Australian Bureau of Statistics
International Freight Rates

Bulker Spot Earnings ($,000's/Day)

- Capesize
- Panamax
- Handymax

Source: Clarkson Research Studies

Slide 21
Performance of Australian Steel Companies

Share Price Performance of Australian Steel Companies versus All Ordinaries
(Indexed at 100 on 21 July 2002)

* Index of the share prices of BlueScope Steel, OneSteel, Sims and Smorgon Steel (not weighted by market capitalisation)
The Future for Steel

• Steel Consumption is rising, driven by China

• Less government ownership

• Consolidation is occurring, at least regionally
Conclusion

Australian steel industry undergone massive restructuring
An exciting decade ahead
  - supply and demand changing
  - potential for strong sustainable steel prices
Australian steel companies are creating value
OneSteel has undergone a process of reinvention

I believe we really are seeing the reinvention of steel