Australian Government
Department of Industry, Science and Resources

Anti-Dumping Commission

Anti-Circumvention Inquiry No. 643
Australian Industry Questionnaire

Case number: 643

Product: Rod in Coil

From: The People's Republic of China

Inquiry period: from 1 January 2015 to 31 March 2024 (the period)

Response due by: 17 June 2024[1]

Email response to: investigations4@adcommission.gov.au

Email enquiries to: investigations4@adcommission.gov.au

Anti-Dumping Commission website: www.adcommission.gov.au

[1] 15 June 2024 is a Saturday, the due date becomes the next business day 17 June 2024.

INSTRUCTIONS

1. Introduction

On 9 May 2024, the Anti-Dumping Commission **(the commission)** published *Consideration Report No. 643 – Anti-circumvention Inquiry into Rod in Coil exported from The People's Republic of China* (**CON 643**).

CON 643 followed an application from InfraBuild (Newcastle) Pty Ltd (**InfraBuild**) for an anti-circumvention inquiry in relation to rod in coil exported to Australia from The People's Republic of China (China).

InfraBuild alleged that some importers of the goods were importing slightly modified goods from China to circumvent the dumping duty notice applying to the goods. Specifically, that the goods exported to Australia have been slightly modified into mesh sheets having by weight a carbon content of less than or equal to 0.24%.

Further information on this inquiry is available in CON 643 and Anti-Dumping Notice (ADN) No. 2024/029**,** available on the commission's website.

2. Why you have been asked to fill out this questionnaire?

The *Customs Act* 1901 (Cth) (**the Act**) sets out, among other things, the procedure to be followed by the Anti-Dumping Commissioner (**the Commissioner**) in assessing applications for an anti-circumvention inquiry and preparing a report for the Minister on an anti-circumvention inquiry.

Section 269ZDBB(6) of the Act and sections 48(2) and 48(3) of the *Customs (International Obligations) Regulation 2015* (**the Regulation**) set out the circumstances in which the Commissioner determines whether a circumvention goods is slightly modified. Section 48(3) of the Regulation includes a list of factors to which the Commissioner is to have regard.

In preparing this questionnaire, the commission has had regard to those factors.

ADN No. 2024/029, available on the commission's website, provides details of the goods under consideration, the application, and the investigation procedures.

This questionnaire seeks information in relation to your company's manufacturing process, costs and sales of the goods and alleged circumvented goods in Australia. The commission will use the information you provide to determine whether a circumvention activity has occurred, and to make recommendations about potential alterations to the original notice should a circumvention activity be found to have occurred.

The ADC will collect and use information in accordance with the ADC Collection and Use of Information Policy.

3. Inquiry Process

The anti-circumvention inquiry will examine whether a circumvention activity involving a slight modification of goods exported to Australia from China has occurred.

The commission will examine alleged circumvention goods exported to Australia from China from **1 January 2015 to 31 March 2024** to determine whether the alleged circumvention activity has occurred.

After the inquiry, the Commissioner will provide a report and recommendations to the Minister, unless the inquiry is terminated earlier. This report will recommend to the Minister that the original notice:

- remain unaltered; or
- be altered following a finding that circumvention activity in relation to the original notice has occurred, and alterations be made.

After considering the report and any other information that the Minister considers relevant, the Minister may leave the original notice unaltered or alter the original notice, specifying different goods that are subject to the notice/s, and altering variable factors in respect of certain exporters subject to the notice.

This inquiry will be carried out in accordance with Part XVB of the Act.

4. Completing this questionnaire

There is no requirement to complete this questionnaire. Nor are you required to answer every question. However, if you do not respond, do not provide all of the information sought, do not provide information within a reasonable time period, or do not allow the commission to verify the information (if required), the commission may have regard to any other matters or information that it considers relevant.

Alternatively, you may wish to make a submission concerning the inquiry, no later than **17 June 2024**. Instructions on making a submission are in ADN No. **2024/029.**

In answering the questions, please provide supporting evidence if available.

5. Extension requests

If you require a longer period to complete all or parts of your response to this questionnaire, you must submit a request to the commission, in writing, for an extension to the due date for all or part of the questionnaire. This request must be made prior to the due date. A request for extension will be rejected if received after the due date.

When considering the extension request, the commission will have regard to:

- the commission's responsibility to conduct the case in a timely and efficient manner
- the reasons why you could not provide a response within the whole period and not only the period remaining between the request and the due date
- ordinary business practices or commercial principles
- the commission's understanding of the relevant industry
- previous correspondence and previous dealings with your company
- information provided by other interested parties.

More information on extensions can be found in the Customs (Extension of Time and Non-cooperation) Direction 2015 at https://www.legislation.gov.au/Details/F2015L01736.

You will be informed of the decision whether your request for an extension has been rejected, granted in full or granted in part.

6. Submitting a response to the questionnaire

Responses to the questionnaire should be lodged by email listed on the cover page. In submitting the response to the questionnaire, answer all questions and include all attachments and spreadsheets.

You are required to lodge a confidential version (for official use only) and a non-confidential version (for public record) of your response to this questionnaire. Please ensure that each page of information you provide is clearly marked either 'FOR OFFICIAL USE ONLY' or 'PUBLIC RECORD'.

All information provided to the commission in confidence will be treated accordingly. The public record version of your questionnaire will be placed on the public record, and must contain sufficient detail to allow a reasonable understanding of the substance of the information, but does not breach confidentiality nor adversely affect those interests.

A person is not required to provide a summary for the public record if the commission can be satisfied that no such summary can be given that would allow a reasonable understanding of the substance of the information.

All questionnaires are required to have a bracketed explanation of deleted or blacked out information for the public record version of the questionnaire. An example of a statement to accompany deleted/blacked out text is:

[Explanation of cost allocation through the divisions, by reference to machine hours or weight].

If such an explanation is not provided, the commission may disregard the information.

7. Verification of the information that you supply

The commission may wish to conduct a verification of your questionnaire response for completeness, relevance and accuracy of the information provided.

A verification will include a detailed examination of your company's records and we will collect copies of relevant documents. The verification will require the participation of key staff, including your financial accountant, production manager and sales staff. A tour of the manufacturing facility may also be required during the verification.

The commission may elect to undertake an alternative verification methodology, rather than an onsite verification, to satisfy itself of the completeness, relevance and accuracy of the data.

Note that the commission may disregard any data or information that is not verified, including new or additional information provided after the verification visit.

A report will be prepared following the verification, which details the outcomes of the verification. You will be provided with an opportunity to comment on the accuracy and confidentiality of the verification report prior to its publication on the public record.

For information on the commission's verification procedures, refer to ADN No. 2016/30 available on the commission's website.

8. The goods and the circumvention goods

The goods are:

> *Hot-rolled rods in coils of steel, whether or not containing alloys, that have maximum cross sections that are less than 14mm.*
>
> *The goods covered include all steel rods meeting the above description regardless of the particular grade of alloy content.*
>
> Goods excluded from the measures are:
>
> Hot-rolled deformed steel reinforcing bar in coil form, commonly identified as rebar and debar, and stainless steel in coils.

The circumvention goods:

> *Hot-rolled rods in coils of steel, whether or not containing alloys, that have maximum cross sections that are less than 14mm.*
>
> *The goods covered include all steel rods meeting the above description regardless of the alloy content and includes steel rods that have been modified into mesh sheets having by weight a carbon content of less than or equal to 0.20%.*
>
> Goods excluded from the measures are:
>
> Hot-rolled deformed steel reinforcing bar in coil form, commonly identified as rebar and debar, and stainless steel in coils.

9. Questions under section 48(3) of the *Customs (International Obligations) Regulation 2015*

(a) Other than physical form, what are the differences in the general physical characteristics of the goods and the circumvention goods?

In preparing this response, consider all the differing physical characteristics of the range of goods and circumvention goods.

Provide copies of internal specification documents and any product range lists provided to customers.

Other than physical form, the key difference in the general physical characteristics of the goods and the circumvention goods, is the lengths and number of steel sections, and the existence of cross welds between them. Whereas, the goods are a continuous length of steel section, the circumvention goods are shorter lengths of varying numbers of steel sections arranged in vertical and horizontal patterns and cross welded.

The sectional diameters of the circumvention goods are a subset of the section diameters of the goods.

Copies of internal specification documents form:

- CONFIDENTIAL ATTACHMENT 9(a)-1 for the goods; and
- CONFIDENTIAL ATTACHMENT 9(a)-2 for the circumvention goods.

The goods are supplied in continuous coiled form. The circumvention goods result from the slight modification of the goods following rolling, cutting and cross-welding into a sheet form. The chemistry of the goods and circumvention goods is identical. The mechanical properties of the goods are specifically designed to meet the required mechanical properties of the circumvention goods.

(b) What is the difference in the end use of the goods and the circumvention goods? i.e. How does the physical form (in particular, variations from a coiled finished form to a finished sheet form) affect the end use of rod in coil?

In the Australian market, the end use of the overwhelming majority of the goods, and the circumvention goods are identical, that is, as reinforcing material in concrete. In other words there is limited use for the goods other than as the circumvention goods.

Prior to the imposition of the measures, it is InfraBuild's observation that the goods were almost exclusively imported for the sole purpose of modification into the circumvention goods i.e. the goods were captured in the Australian market for the identical end use of reinforcing mesh in concrete.

How does the carbon content vary between the goods and the circumvention goods, and does it affect the end use?

There is no variation between the maximum carbon content of the goods and the circumvention goods. According to the Australian/New Zealand Standard AS/NZS 4671:2019 *Steel for the reinforcement of concrete,* where the maximum carbon content of the goods exceeds by weight 0.24%, then they will not be suitable for slight modification into the circumvention goods having a minimum yield strength grade of $\leq$ 500 MPa

In preparing this response:

- **List all the possible end uses for the goods and the circumvention goods.**

End-use	The goods	The circumvention goods
Concrete reinforcement	✓	✓
Non-reinforcement	✓	×

Provide a breakdown of the proportion for each use for sales prior to the implementation of the anti-dumping measures and for the period 1 April 2023 to 31 March 2024.

End-use	The goods	The circumvention goods
Period	***1 April 2015 to 31 March 2016***	
Concrete reinforcement	[redacted]%	100%
Non-reinforcement	[redacted]%	0%
Period	***1 April 2023 to 31 March 2024***	
Concrete reinforcement	[redacted]%	100%
Non-reinforcement	[redacted]%	0%

Source: CONFIDENTIAL ATTACHMENT A(b)-3

(c) Can a customer readily interchange between the goods and the circumvention goods? i.e. Can any rod in coil be interchanged with steel mesh sheets?

Yes, all InfraBuild's Australian (mesh manufacturing) customers of the goods can readily interchange between the goods and the circumvention goods. In other words, rather than purchasing rod in coil and manufacturing steel mesh sheets, the customer can purchase steel mesh sheets for supply into the Australian market.

InfraBuild's customers (or other customers, without the ability to manufacture mesh, i.e. builders and pre-casters) can readily interchange between the goods processed into a mesh form or the circumvention goods.

Are there different grades of rod in coil?

Yes.

If yes:

- **would and could any grade of rod in coil be used in the production of steel mesh?**

No. The grade of rod in coil used in the production of steel mesh must be capable of producing steel mesh that meets *AS/NZS 46771:2019 Steel for the Reinforcement of Concrete* standard.

- **What are the differing grades of the goods produced by Infrabuild.**

Quantities relate to 12-months ending 31 March 2024.

Grade	Sum of Quantity
AS4671-250N	[redacted]
BRIDGE82RP	[redacted]
COMPWIRE	[redacted]
COMPWIRE3	[redacted]
CS1020	[redacted]
K1008	[redacted]
K1010	[redacted]
K1019	[redacted]
K1045	[redacted]
MA500E	[redacted]
MA500N	[redacted]
NO GRADE	[redacted]
RODMESH1018	[redacted]
ROPE62RP	[redacted]
ROPE78RP	[redacted]
ROPE82RP	[redacted]
S1006	[redacted]
S1214	[redacted]
SPRING68	[redacted]
U1004	[redacted]
U1014	[redacted]
W2K1062	[redacted]
W2K1068	[redacted]
W4K1077	[redacted]
W6K1077	[redacted]
WAB1006	[redacted]
WAB1007	[redacted]
WAC1008	[redacted]
WAE1010	[redacted]
WAE1016	[redacted]
WAE1019	[redacted]
WC1004D	[redacted]
WC1004PLT	[redacted]
WC1008	[redacted]
WC1008D	[redacted]
WC1017	[redacted]
WC1017D	[redacted]
WK1033	[redacted]
WK1033D	[redacted]
WK1047	[redacted]
WK1047D	[redacted]
WK1054	[redacted]
WK1054D	[redacted]
WK1068	[redacted]
WK1072	[redacted]
WK1077	[redacted]
WK1081	[redacted]
WK500MA	[redacted]
X2S1010	[redacted]
XK15B27FFG	[redacted]
XK9254S	[redacted]
XK9261S	[redacted]

Please provide supporting documentation or any evidence you have in support of the claims made.

(d) Is there a different process to produce rod in coil and steel mesh sheets? Describe this in detail.

Steel mesh sheets are a slight modification of rod in coil. That is, the rod in coil is taken, rolled, cut to length and cross-welded to form the steel mesh sheets.

Do manufacturers generally undertake any further effort to standardise the form, the size of the sheets or the carbon content i.e. trimming excess product that is too wide or extra flattening or rolling for product that is too thin?

No. The slight modification of the rod in coil results in the steel mesh sheets. There is no alteration of the carbon content or chemistry between the rod in coil and the steel mesh sheets.

Please provide supporting documentation or any evidence you have in support of the claims made.

(e) What are the differences in the costs to produce the goods and the circumvention goods? i.e. Is there a difference in cost to produce steel mesh of different sizes, carbon content or grade?

The differences in the costs to produce the goods and the circumvention goods is represented in the cost of the slight modification.

InfraBuild has calculated the cost of the slight modification at a rate of AUD[redacted]/tonne. As a percentage of the overall cost to produce the circumvention goods, the slight modification accounts for [redacted]%.[2]

As such, the cost to produce the circumvention goods is a function of the cost to produce the goods. There is no difference in carbon content or grade between the rod in coil and its slight modification to the circumvention goods.

Please provide supporting documentation or any evidence you have in support of the claims made.

(f) What modifications to the goods and/or the plant used in manufacturing the goods are required to produce the circumvention goods?

The goods are rolled, cut and cross-welded to form the sheets of steel mesh of any dimensions. This process is typically performed by two pieces of equipment.

What is the cost to make these modifications?

Refer to response to Question A(e), above.

(g) What are customer's preferences and expectations relating to the goods versus the circumvention goods? In your view, would a customer purchase the circumvention goods instead of the goods? Why?

Customers' preferences and expectations are driven by the price of the goods versus the circumvention goods. Where the circumvention goods are competitive in terms of price

[2] CONFIDENTIAL ATTACHMENT A(e)-1.

relative to the landed price of the goods, then there is a preference for the circumvention goods over the goods.

An example of this customer behaviour is [redacted] Pty Ltd, trading as '[redacted]', who has purchased the circumvention goods directly from China, and sold them via the same channel into the Australian market to resellers and builders/pre-casters used for their supply of their own produced steel mesh manufactured from the goods or like goods.

Another example of a customer is [redacted] Pty Limited, trading as '[redacted]', who has indirectly purchased the circumvention goods from China via importers, and sold them via the same channel into the Australian market to builders/pre-casters. Evidence of the loss of sales volume to the circumvention goods is contained in CONFIDENTIAL ATTACHMENT A(g)-5.

An example of a customer who has trialled small quantities of the circumvention goods in place of the goods and like goods is [redacted] Pty Ltd, trading as '[redacted]'.

The customers of InfraBuild's customers, are also now purchasing the circumvention goods in preference to reinforcing mesh sheets produced from the goods and like goods. Examples of this change in preference include the following examples:

1. [redacted] Pty Ltd, trading as '[redacted]'

This customer, an Australian mesh manufacturer of reinforcing mesh, reports a direct loss of sales volume to its distributor/reseller customer, [redacted] Pty Ltd, trading as '[redacted]', to the circumvention goods. Whereas in 2021, InfraBuild's customer supplied [redacted] tonnes of reinforcing mesh manufactured by it from the goods and like goods to this distributor/reseller, in 2023, it supplied [redacted] tonnes, a mere [redacted]% of its original sales volume.

The evidence of InfraBuild's customer is that the distributor/reseller has now replaced its supply of reinforcing mesh with the circumvention goods. CONFIDENTIAL ATTACHMENT A(g)-1, refers.

2. [redacted] Pty Ltd, trading as '[redacted]'

This InfraBuild customer, a further Australian mesh manufacturer from the goods and like goods, reported on four customers who have all substantially interchanged their supply of reinforcing mesh produced from the goods and like goods to the circumvention goods.

The evidence of this InfraBuild customer is contained at CONFIDENTIAL ATTACHMENT A(g)-2.

3. [redacted], trading as '[redacted]'

This InfraBuild customer has reported significant loss of sales volume of reinforcing mesh produced from the goods and/or the like goods to the circumvention goods:

- Victorian customer sales volume lost to the circumvention goods estimated at [redacted] tonnes in the previous 12-months. CONFIDENTIAL ATTACHMENT A(g)-3 refers.
- New South Wales customer sales volume lost to the circumvention goods estimated currently to run at a rate at [redacted] tonnes per month. CONFIDENTIAL ATTACHMENT A(g)-4.

Please provide supporting documentation such as emails between InfraBuild and its customers or any other evidence in support of the claims made.

(h) What is the difference in how the goods are marketed compared to the circumvention goods? i.e. Is there a difference in how the different forms, carbon content and/or grade of rod in coil are marketed?

The goods are marketed as “RodMesh500 Plain Low Carbon Steel”, in other words the goods are marketed for use in concrete reinforcement as the circumvention goods.

The marketing of the goods as “Low Carbon Steel”, i.e. less than or equal to a maximum carbon content by weight of 0.24% is standard.

In terms of the grade of rod in coil, the only pre-requisite is its suitability for the modification to circumvention goods meeting the AS/NZS *AS/NZS 4671:2019 Steel for the Reinforcement of Concrete* standard.

Please provide supporting documentation or evidence in support of the claims made.

Refer CONFIDENTIAL ATTACHMENT 9(a)-1.

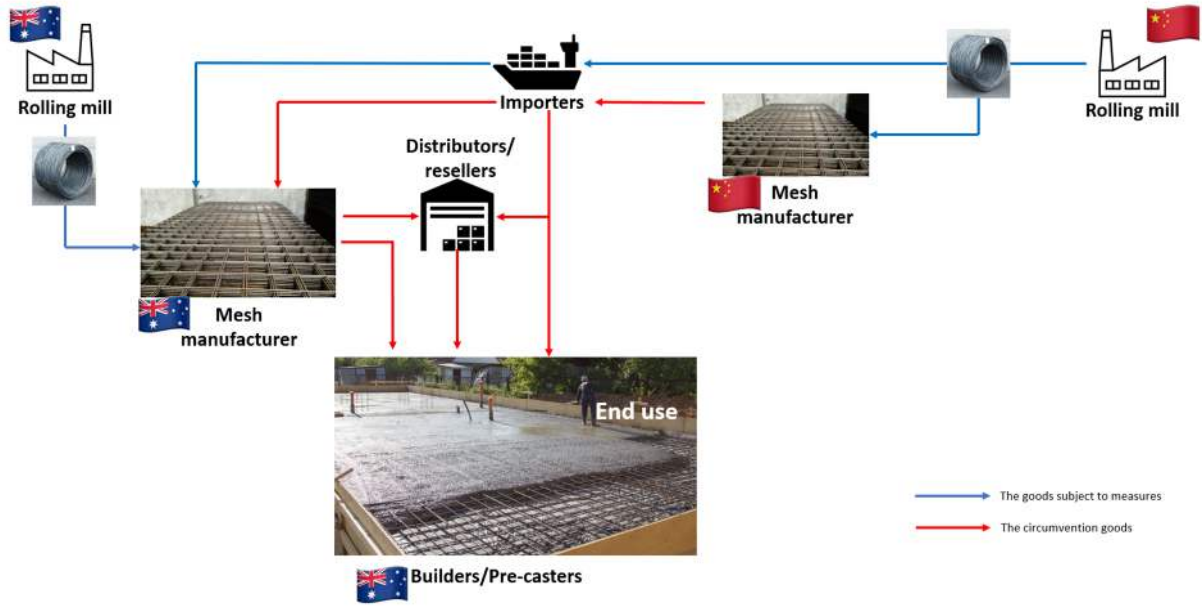
(i) Are there differences in channels of trade and distribution for the goods and the circumvention goods? i.e. Do different finished forms, carbon content and/or grades of the goods and circumvention goods have different trade and distributions channels?

The goods and the circumvention goods follow both the same channels of trade and distribution into the Australian market, but the circumvention goods have opened up a second, alternate channel of trade and distribution into the Australian market, that by-pass Australian based mesh manufacturers.

Carbon content above “low carbon” standards, typically, a maximum carbon content by weight of less than or equal to 0.24% do not operate within the steel reinforcement market that the goods and circumvention goods operate. The circumvention goods are unlikely to have maximum carbon contents above the “low carbon” standard.

All grades for the goods that once modified to the circumvention goods are capable of meeting the *AS/NZS 4671:2019 Steel for the Reinforcement of Concrete* standard, have the same trade and distribution channels.

Provide a chart which illustrates channels of trade and distribution for the goods and the circumvention goods from manufacture to end users.



(j) Are there differences in patterns of trade for the goods and the circumvention goods? i.e. Do different finished forms, carbon content and/or grades of the goods and circumvention goods have different trade patterns?

The goods that are suitable for modification to the circumvention goods, in terms of meeting the "low carbon" standard, and grades that once modified meet the *AS/NZS 4671:2019 Steel for the Reinforcement of Concrete* standard, have identical patterns of trade for both the goods and the circumvention goods, i.e. for end-use in concrete reinforcement.

The grades and carbon content values do not change between the goods and circumvention goods.

The finished form of the circumvention goods, i.e. overall dimensions, do not have a different pattern or trade, i.e. they are all utilised by builders or pre-casters in concrete reinforcement.

(k) Are there differences in the pricing for the goods and the circumvention goods? Does the pricing for the circumvention goods reflect the cost of modification?

Yes, the differences in pricing directly reflect the cost of modification. The base value for the price of the circumvention goods is the goods. The implication of this is any change in the price of the goods directly impacts the price of the circumvention goods. For InfraBuild wholesale mesh sales the vast majority of the price is reflected in the value of the rod.

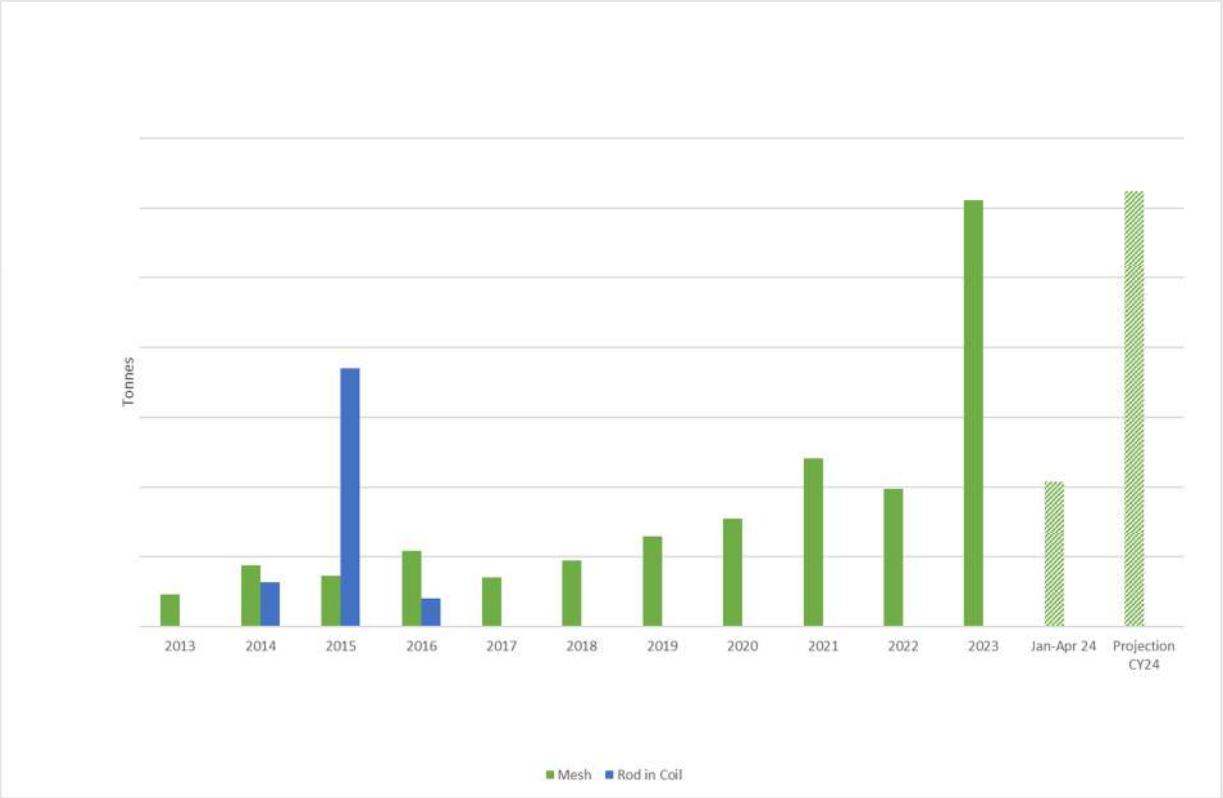
In demonstration of the above, Infrabuild's most popular size of mesh is [redacted] [*model*] representing ~ [redacted]% of sales volume in FY 2024. The price premium for this product over the value of rod in June 2024 was $[redacted]/t over a rod price of $[redacted]/t. This represents a mere [redacted]% price premium for [redacted] [*model*] mesh over the price for the like goods (rod in coil).

Please provide price lists for the goods and the circumvention goods.

Refer CONFIDENTIAL ATTACHMENT A(k)-1.

(l) Are you aware of any changes in export volumes of the goods compared to the circumvention goods?

The export volumes of the goods, all but ceased following the imposition of measures in April 2016. The export volumes of the circumvention goods increased year-on-year following the imposition of the measures on the goods (except 2022), such that by 2023, the export volume of the circumvention goods were almost 8.5 times higher than the export volume of the circumvention goods prior to the imposition of the measures in 2015. Refer **Figure 9(l)**, below.



NON-CONFIDENTIAL FIGURE 9(l) Chinese exports of Rod in Coil and Mesh to Australia

(Source: CONFIDENTIAL ATTACHMENT 9(l)-1)

If yes, what do you consider is the reason for the shift in volumes between the products?

The imposition of interim dumping duties at *ad valorem* rates of between 37.4% and 53.1% in April 2016 on the goods (ADN No. 2016/047 refers), and ad valorem rates of 33.1% following continuation of the measures in April 2021 with a combination method of interim dumping duty calculation (ADN No. 2021/032 refers).

(m) Are the circumvention goods classified under a different tariff classification and statistical code compared to the goods?

Yes. The circumvention goods and the goods the subject of the original notice are classified to different tariff subheading and statistical codes being 7213.91.00 (44) and 7227.90.90 (02) in the case of the goods, and 7314.20.00 (24) in the case of the circumvention goods.

10. Other questions

A1 Your application notes that there is an Australian Standard AS/NZS 4671 for both rod in coil and steel mesh. Provide details of any requirements in AS/NZS 4671 (or any other applicable standard) with regards to steel grade, carbon content, cross sectional diameter or any other detail that may be relevant.

This is not correct. The application does not suggest that AS/NZS 4671 applies to rod in coil. The application indicates that rod in coil is produced to grades that "enable compliance to the mesh Standard requirements"[3] of AS/NZS 4671 for steel mesh in concrete reinforcement.

The grades of rod in coil are largely specified to meet the requirements of *AS 1442:2007 – Carbon steels and carbon-manganese steels – Hot rolled bars and semi-finished products*. This Standard broadly aligns with the *ISO 2566-1 (Carbon and low alloy steels) grade designations and chemistry*. The grades for carbon steels are designated 10XX – the '10' indicates a plain carbon steel and the 'XX' indicates the approximate mean of the specified carbon range. An extract from the standard appear below:

TABLE 1

CHEMICAL COMPOSITION REQUIREMENTS FOR CARBON STEELS

Grade designation AS 1442/ (Note 1)	Chemical composition (cast analysis), %							
	Carbon		Silicon (Notes 2 and 3)		Manganese		Phosphorus	Sulfur
	Min.	Max.	Min.	Max.	Min.	Max.	Max.	Max.
1006	—	0.08	0.10	0.35	0.25	0.50	0.040	0.040
1008	—	0.10	0.10	0.35	0.25	0.50	0.040	0.040
1010	0.08	0.13	0.10	0.35	0.30	0.60	0.040	0.040
1016	0.13	0.18	0.10	0.35	0.60	0.90	0.040	0.040
1020	0.18	0.23	0.10	0.35	0.30	0.6	0.040	0.040
1021	0.18	0.23	0.10	0.35	0.60	0.9	0.040	0.040
1022	0.18	0.23	0.10	0.35	0.70	1.00	0.040	0.040
1030	0.28	0.34	0.10	0.35	0.60	0.90	0.040	0.040

As such, a grade 1010 would have a carbon range of 0.08-0.13% C. Full details of the requirements in AS 1442:2007 form CONFIDENTIAL ATTACHMENT 10-A1.1

The rod in coil is produced to grades that are capable of supporting the physical characteristics required under the *AS/NZS 4671:2019 Steel for the Reinforcement of Concrete* standard for steel mesh. In essence, the rod in coil is produced entirely with the end application requirements (concrete reinforcement via steel mesh) in mind.

Details of the requirements in AS/NZS 4671 form CONFIDENTIAL ATTACHMENT 10-A1.2.

[3] EPR Folio No. 643/001, Annexure, p. 11.

A2 What determines the classification of prime or non-prime for both rod in coil and steel mesh?

Conformance with applicable internal and external standards, such that permits the Australian industry applicant to warrant the product's fitness for purpose to its customers.

A3 Do you produce the goods to a nominal or actual diameter or length/dimensions? If nominal, is there a tolerance that you or the Australian market in general allow?

Is there a tolerance for any variations in carbon content?

The goods are produced to a dimensional tolerance for the sectional diameter of +/- 0.40mm.

In order to meet the Grade designations under AS1442:2007, there are minimum and maximum carbon content by weight allowances – refer to response to *Question 10-A1*, above.

A4 How do you calculate pricing for rod in coil?

Although sold in coils with a nominal weight of 1.5 or 2.0 tonnes, the goods are priced and invoiced on an actual weight (AUD/tonne) basis.

How do you calculate pricing for steel mesh?

Steel mesh pricing is calculated in $/t terms by Infrabuild based on a $/t mesh [redacted] rod in coil price. [*pricing mechanism*]

CONFIDENTIAL ATTACHMENT 10-A4 highlights the typical pricing spreadsheet provided to InfraBuild customers monthly. The $/t [redacted]. [*pricing mechanism*] The pricing spreadsheet converts the pricing into $/sheet terms for the purpose of invoicing.

Is there a consistent price per kg or m, or some other method?

Each model of steel mesh has a conversion to theoretical weight factor. In other words mesh is invoiced on a theoretical mass that is consistent with the mesh model.

A5 Has there been a change in the market where customers have moved away from producing mesh from rod in coil and are now either importing all supply or sourcing from Australian industry? Provide details.

Yes, there are a number of customers who have moved away from producing mesh from rod in coil. One example of this change is [redacted] Pty Ltd, trading as '[redacted]', who has closed their [redacted] [*location*] mesh manufacturing facility and are now purchasing all their steel mesh supply.

Another example is [redacted] Pty Ltd, trading as '[redacted]', who have moved away from producing mesh from rod in coil and are now purchasing all their steel mesh supply.

There are other resellers and end users such as [redacted] who have moved away from primarily sourcing locally manufactured mesh to fully imported mesh.

There are also local manufacturers of mesh who will occasionally import mesh or purchase imported mesh for resale e.g. [redacted] and [redacted].

Has there been a change in the market in relation to manufacturers of wire mesh in the Australian market since measures were imposed? Provide details.

Yes. Since the measures were imposed, importers have stopped importing and distributing the goods, and only import and distribute the circumvention goods. As such, a second channel into the Australian steel reinforcement end-use market has opened, with importers of steel mesh dealing directly with builders/pre-casters.

11. Turnover

Please complete the worksheet 'A3 Turnover' in the Australian Industry Questionnaire. Provide the sales turnover for all products, rod in coil and steel mesh for the period from **1 January 2015 to 31 March 2024**.

Worksheet A3 Turnover is attached.

12. Any other information

Please provide any other information that you consider could assist the commission in its inquiry.

The *AS/NZS 4671:2019 Steel for the Reinforcement of Concrete* standard for steel mesh specifies the maximum carbon content by weight for steel reinforcing materials at 0.24%.

The alleged circumvention goods are cross-welded. AS/NZS 4671:2019 describes the circumvention goods as 'machine-welded mesh'. Specifically clause 3.13 of the relevant standard describes 'mesh' of the type covered by the circumvention activity as:

> *longitudinal and transverse bars of the same or different diameter and length, which are arranged substantially at right angles and factory electrical resistance welded at the point of intersection and rely on the shear strength of the welds for lapping sheets.*

The absence of an electrical resistance weld at the point of intersection, i.e. weaved steel sections, would not qualify as the circumvention goods.