



## Public File

Application for the publication of  
dumping and/or  
countervailing duty notices

Freight Railway Wheels

Exported from the People's Republic  
of China

October 2025

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APPLICATION UNDER SECTION 269TB OF THE *CUSTOMS ACT 1901* FOR THE PUBLICATION OF DUMPING AND/OR COUNTERVAILING DUTY NOTICES

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**DECLARATION**

I request, in accordance with section 269TB of the *Customs Act 1901* (the Act)<sup>1</sup>, that the Minister publish in respect of goods the subject of this application:

- a dumping duty notice, or
- a countervailing duty notice, or
- a dumping and a countervailing duty notice.

This application is made on behalf of the Australian industry producing like goods to the imported goods the subject of this application. The application is supported by Australian producers whose collective output comprises:

- 25% or more of the total Australian production of the like goods; and
- more than 50% of the total production of like goods by those Australian producers that have expressed either support for, or opposition to, this application.

I believe that the information contained in this application:

- provides reasonable grounds for the publication of the notice(s) requested; and
- is complete and correct.

*Please note that giving false or misleading information is a serious offence.*

Signature: [sgd]

Name: [REDACTED]

Position: [REDACTED]

Company: Commonwealth Steel Company Pty Ltd

ABN: 58 000 007 698

Date: 9 October 2025

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<sup>1</sup> All legislative references are to the *Customs Act 1901*.

# IMPORTANT INFORMATION

## About this form

Section 269TB(4)(b) of the Act requires that an application under section 269TB of the Act for publication of a dumping duty notice or a countervailing duty notice must be in a form approved by the Commissioner under section 269SMS(1) for those purposes. This is the approved form.

## Signature requirements

Where the application is made:

*By a company* - the application must be signed by a director, servant or agent acting with the authority of the body corporate.

*By a joint venture* - a director, employee, agent of each joint venturer must sign the application. Where a joint venturer is not a company, the principal of that joint venturer must sign the application form.

*On behalf of a trust* - a trustee of the trust must sign the application.

*By a sole trader* - the sole trader must sign the application.

*In any other case* - contact the Anti-Dumping Commission's (the commission's) Client support section for advice.

*NB: Where an application is made by an agent acting with authority on behalf of a company, joint venture, trust or sole trader, an authority to act letter must be provided with this application.*

## Assistance with the application

The commission provides a free-of-charge document checking service, available prior to formal lodgement, to assist applicants to ensure that their applications meet the documentary requirements, see "before you apply":

<https://www.industry.gov.au/anti-dumping-commission/apply-anti-dumping-or-countervailing-duties-measures>

The commission has also published guidelines to assist applicants with the completion of this application: <https://www.industry.gov.au/anti-dumping-commission/apply-anti-dumping-or-countervailing-duties-measures>

Small and medium enterprises (i.e., those with less than 200 full-time staff, which are independently operated, and which are not a related body corporate for the purposes of the *Corporations Act 2001*), may obtain assistance, at no charge, from the Department of Industry, Science and Resources' the International Trade Remedies Advisory (ITRA) Service. For more information on the ITRA Service, visit [www.business.gov.au/ITRA](http://www.business.gov.au/ITRA), email us at [itra@industry.gov.au](mailto:itra@industry.gov.au), or telephone the ITRA Service Hotline on +61 2 6213 7267.

The Commission's client support section can also provide information about dumping and countervailing procedures and the information required by the application form. Contact the team on:

**Phone:** 13 28 46 or +61 2 6213 6000 (outside Australia)

**Email:** [clientsupport@adcommission.gov.au](mailto:clientsupport@adcommission.gov.au)

Further information is available from the Commission's website at [www.adcommission.gov.au](http://www.adcommission.gov.au).

**On page 27 of this application form, the commission lists the appendices referenced in different questions in the form. These appendices should be used to supply information for an application for the publication of dumping and/or countervailing duty notices and can be accessed on the commission's website, here: [B108 Appendices](#)**

### **Important information**

To initiate an investigation into dumping and/or subsidisation, the commission must comply with Australia's international obligations and statutory standards. This form provides an applicant industry with a framework to present its case and will be used by the commission to establish whether there appear to be reasonable grounds for the publication of a dumping duty or countervailing duty notice and initiate an investigation. To assist consideration of the application it is therefore important that:

- all relevant questions are answered; and
- information that is reasonably available be supplied.

The commission does not require conclusive evidence to initiate an investigation, but any claims made should be reasonably based. An application will be improved by including supporting evidence and where the sources of evidence are identified. Simple assertion is inadequate to substantiate an application.

To facilitate compilation and analysis, the application form is structured in 3 parts:

- **Part A** seeks information about the Australian industry. This data is used to evaluate industry trends and assess claims of material injury due to dumping/subsidisation. Where an Australian industry comprises more than one company, each should separately prepare a response to Part A to protect commercial confidentiality.
- **Part B** relates to evidence of dumping.
- **Part C** is for supplementary information that may not be appropriate to all applications. However some questions in Part C may be essential for an application, for example, if action is sought against subsidisation.

All questions in Parts A and B must be answered, even if the answer is 'Not applicable' or 'None'. Where appropriate, applicants should provide a short explanation about why the requested data is not applicable. This will avoid the need for follow up questions by the commission.

The application form does not specifically address all the information required when making a claim that the establishment of an Australian industry producing like goods has been or may be materially hindered. If you are considering making such a claim, please contact the commission to discuss information requirements.

The application form requests data over several periods (P<sup>1</sup>, P<sup>2</sup>...P<sup>n</sup>) to evaluate industry trends and to correlate injury with dumped or subsidised imports. The labels P<sup>1</sup>...P<sup>n</sup> are used for convenience in this application form. Lodged applications should identify the period relevant to the data. This form does not specify a minimum period for data provision. However, sufficient data must be provided to substantiate the claims made. If yearly data is provided, this would typically comprise a period of at least four years (for example the current financial year in addition to three prior years). Where information is supplied for a shorter period, applicants may consider the use of quarterly data. Data must also be sufficiently recent to demonstrate that the claims made are current.

When an investigation is initiated, the commission will verify the claims made in the application. A verification visit to the Australian industry usually takes several days.

Applicants should be prepared to substantiate all Australian industry financial and commercial information submitted in the application. Any worksheets used in preparing the application should therefore be retained to facilitate verification.

During verification, the commission will examine company records and obtain copies of documents relating to the manufacture and sale of the goods.

#### **Appendices**

Some questions require attachments to be provided. The attachment numbering sequence should refer to the question answered. For example, question A2.2 requests a copy of an organisation chart. To facilitate reference, the chart should be labelled Attachment A2.2. If a second organisation chart is provided in response to the same question, it should be labelled Attachment A2.2.2 (the first would be labelled Attachment A2.2.1).

#### **Provision of data**

Industry financial data must, wherever possible, be submitted in an electronic format.

- The data should be submitted on a media format compatible with Microsoft Windows.
- Microsoft Excel, or an Excel compatible format, is required.
- If the data cannot be presented electronically please contact the Commission's client support section for advice.

**Lodgement of the application**

This application, together with the supporting evidence, must be lodged in the manner approved by the Commissioner under subsection 269SMS(2) of the Act. The Commissioner has approved lodgement of this application by:

- (i) email, preferably, using the email address [clientsupport@adcommission.gov.au](mailto:clientsupport@adcommission.gov.au)
- (ii) upload to SIGBOX (SIGBOX is our secure online lodgement platform, suitable for large files or attachments - email us to arrange access), or
- (iii) post to:  
The Commissioner of the Anti-Dumping Commission  
GPO Box 2013  
Canberra ACT 2601

As currently applied:

- Applications are taken to be lodged or received by the Commissioner when it is first received by a commission staff member doing duty in relation to applications.
- Staff members are taken to be on duty receiving applications from 9:00am to 5:00pm (AEST or AEDST) on business days that are not an Australian Capital Territory public holiday, or during Annual Closedown\*.

**Definitions** in this application:

1. **AEST** means Australian Eastern Standard Time.
2. **AEDST** means Australian Eastern Daylight Savings Time.
3. **business day** means a day that is not a Saturday or Sunday.
4. **Annual Closedown** means the 3 business days the Commission is closed between Christmas Day and New Year's Day.

\* Public holidays are listed at: <https://www.fairwork.gov.au/employment-conditions/public-holidays>

**Public Record**

During an investigation all interested parties are given the opportunity to defend their interests by making a submission. The commission maintains a public record of these submissions. The public record is available on the commission's website at [www.adcommission.gov.au](http://www.adcommission.gov.au).

At the time of making the application both a confidential version (for official use only) and non-confidential version (public record) of the application must be submitted. Please ensure each page of the application is clearly marked "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD". The non-confidential application should enable a reasonable understanding of the substance of the information submitted in confidence, clearly showing the reasons for seeking the publication of a dumping duty or countervailing duty notice, or, if those reasons cannot be summarised, a statement of reasons why a summary is not possible.

# **PART A**

## **INJURY**

### **TO AN AUSTRALIAN INDUSTRY**

#### **IMPORTANT**

All questions in Part A should be answered even if the answer is 'Not applicable' or 'None'. If an Australian industry comprises more than one company/entity, each should separately complete Part A.

## A-1 Identity and communication

Please nominate a person in your company for contact about the application:

Contact Name:	██████████
Company and position:	Commonwealth Steel Company Pty Ltd ██████████
Address:	Maud Street Waratah NSW 2298 Australia
Telephone:	██████████
E-mail address:	██████████
ABN:	58 000 007 698

### Alternative contact

Name:	██████████
Position in company:	██████████
Address:	Maud Street Waratah NSW 2298 Australia
Telephone:	██████████
E-mail address:	██████████

If you have appointed a representative to assist with your application, provide the following details and complete Appendix A8 (Representation).

Name:	Chad Uphill
Business name:	Chad Uphill Trade Advisory
Address:	P.O. Box 3004 Minnamurra NSW 2533
Telephone:	+61 2 412 377 603
E-mail address:	chad@cutrade.com.au
ABN:	31 207 904 360

## A-2 Company information

1. State the legal name of your business and its type (e.g. company, partnership, sole trader, joint venture). Please provide details of any other business names you use to manufacture/produce/sell the goods that are the subject of your application.

The Australian manufacturer applicant requesting the imposition of anti-dumping and countervailing duties on Freight Railway Wheels (**FRWs**) exported from the People's Republic of China (**China**) is the Commonwealth Steel Company Pty Ltd (**Comsteel**) (ABN: 58 000 007 698).

2. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.

Refer Confidential Attachment A-2.2.1 and Confidential Attachment A-2.2.2.

3. List the major shareholders of your company. Provide the shareholding percentages for joint owners and/or major shareholders.

Comsteel is [**confidential text deleted: ownership details**].

4. If your company is a subsidiary of another company list the major shareholders of that company.

Refer above at A-2.3.

5. If your parent company is a subsidiary of another company, list the major shareholders of that company.

Refer above at A-2.3.

6. Provide an outline diagram showing major associated or affiliated companies and your company's place within that structure (include the ABNs of each company).

Refer above at A-2.3. Comsteel's major associated/affiliated companies are detail at Confidential Attachment A-2.9.2, these being [**confidential text deleted: affiliated entity details**].

7. Are any management fees/corporate allocations charged to your company by your parent or related company?

Monthly management and information technology (IT) costs are recharged to Comsteel by the parent entity.

8. Identify and provide details of any relationship you have with an exporter to Australia or Australian importer of the goods.

Comsteel does not maintain relationships with foreign exporters or Australian importers of

the goods.

9. Provide a copy of all annual reports applicable to the data supplied in appendix A3 (Sales Turnover). Any relevant brochures or pamphlets on your business activities should also be supplied.

Refer Confidential Attachment A-2.9.1 and Confidential Attachment A-2.9.2.

10. Provide details of any relevant industry association.

Comsteel is a member of the *Australasian Railway Association (ARA)* and the *Australian Steel Institute (ASI)*.

### **A-3 Industry support requirements (standing)**

It is a requirement that your application is supported by a sufficient part of the Australian industry who produce or manufacture like goods in Australia. This means Australian producers or manufacturers (including you as the applicant) whose collective output comprises:

- 25% or more of the total Australian production of the like goods; and
  - more than 50% of the total production of like goods by those Australian producers that have expressed either support for, or opposition to, your application.
1. Complete appendix A1 (Australian production) to identify all known Australian producers or manufacturers (including the applicant) of like goods. Confirm the application is supported by a sufficient part of the Australian industry.
    - Where production volumes are not available, provide estimates.
    - Include evidence that producers or manufacturers support or oppose an application.

Refer completed Appendix A1. Comsteel confirms that it has standing to make this application as it is the sole Australian producer of the like goods.

By this application, Comsteel proposes an investigation period of the 12 months ending June 2025 (**FY2025**), and an injury assessment period commencing 1 July 2021. Comsteel considers that the full period proposed relevantly reflects the detrimental impact to the Australian industry from dumped and subsidised Chinese FRW imports.

While it is recognised it is common for the Anti-Dumping Commission to request an additional quarter of Australian industry data than what was provided in an application, further material injury to Comsteel would transpire over the timeframe in which it would be required to furnish this. It would also further delay the imposition of provisional, and final interim dumping and countervailing measures, which this application submits are required.

## A-4 The imported and locally produced goods

Questions 1 - 3 refer to the imported product the subject of your application. These are known throughout an investigation as 'the goods under consideration' or 'the goods'. Question 4 refers to your production that is known as 'like goods'.

1. What are the goods the subject of your application?
  - Provide a concise description of the physical characteristics of the goods as it would appear at the place of import in Australia.
  - This concise description will be used to assess the goods subject to the application throughout the investigation and in imposing measures if a dumping or countervailing duty notice is published.
  - If certain physical characteristics are intended to be excluded from the goods subject to the application, provide details of these characteristics.

The imported goods from China the subject of this application are:

*Railway wheels of forged and rolled high carbon steel, with an outside diameter from 27.5 inches to 37.5 inches (699 millimetres to 953 millimetres), whether or not including alloys.*

### Further Information

The railway wheels are manufactured in accordance with relevant user defined specifications and drawings, and are used on rail carriages/wagons in freight transport.

The wheels used in all user applications have the following typical characteristics:

- outside diameter from 27.5 to 37.5 inches (699 to 953 millimetres (**mm**)), and of similar overall dimensional tolerances and shape;
- are manufactured from a high carbon steel with the addition of micro alloying elements to achieve hardness and mechanical properties, as defined by user/customer specifications;
- are manufactured using a forging and rolling process in accordance with defined standards; and
- are suitable to operate at axle loads of up to 36 metric tonnes, as defined by user/customer specifications.

### Exclusions

Axles and other components are excluded from the description.

2. Provide any further details of the goods that would assist in identifying whether a product is the subject of your application:
  - Include physical, technical or other properties not already mentioned in question 1.
  - Where the application covers a range of products, list this information for each make and model in the range.
  - Supply technical documentation where appropriate.

Refer Confidential Attachment A-4, and Confidential Appendix A4 (details of the like goods presented at the Model Control Code level).

3. List the tariff classification(s) and statistical code(s) of the imported goods.

The imported goods may be generally, but not exclusively,<sup>2</sup> classified to the following tariff subheading in Schedule 3 to the *Customs Tariff Act 1995*:

Tariff sub-heading	Statistical code	Description
8607.19.00	20	Wheels, whether or not fitted with axles, of railway or tramway locomotives or rolling stock.

4. Fully describe your product(s) that are 'like' to the imported product:
  - Include physical, technical or other properties.
  - Where the application covers a range of products, list this information for each make and model in the range.
  - Supply technical documentation where appropriate.
  - Indicate which of your product types or models are comparable to each of the imported product types or models. If appropriate, the comparison can be done in a table.

Comsteel manufactures goods that are alike to the Chinese subject goods at its manufacturing facility in Waratah, NSW. The products manufactured by Comsteel fully conform to the user defined specifications as described in this application (see Confidential Attachment A-4).<sup>3</sup>

Comsteel's FRWs are produced from micro-alloy steel, then forged and rolled, heat-treated, CNC-machined and subjected to non-destructive, visual and dimensional testing.

5. Describe the ways in which the essential characteristics of the imported goods are like to the goods produced by the Australian industry.

Comsteel considers that the essential characteristics of the subject goods FRWs are the same or similar to locally produced FRWs. The essential characteristics include:

- i. Physical likeness

Comsteel-manufactured FRWs are alike in physical appearance to the imported goods.

<sup>2</sup> The goods are defined by the goods description, not the tariff classification.

<sup>3</sup> These may be slightly modified and renamed to suit the specific production process, however, FRWs will typically be manufactured in accordance with the customer's specifications.

ii. Commercial likeness

The locally produced FRWs compete directly with imported FRWs in the Australian market.

iii. Functional likeness:

Imported and Australian-produced FRWs are used interchangeably in the same or comparable end-uses.

iv. Production likeness:

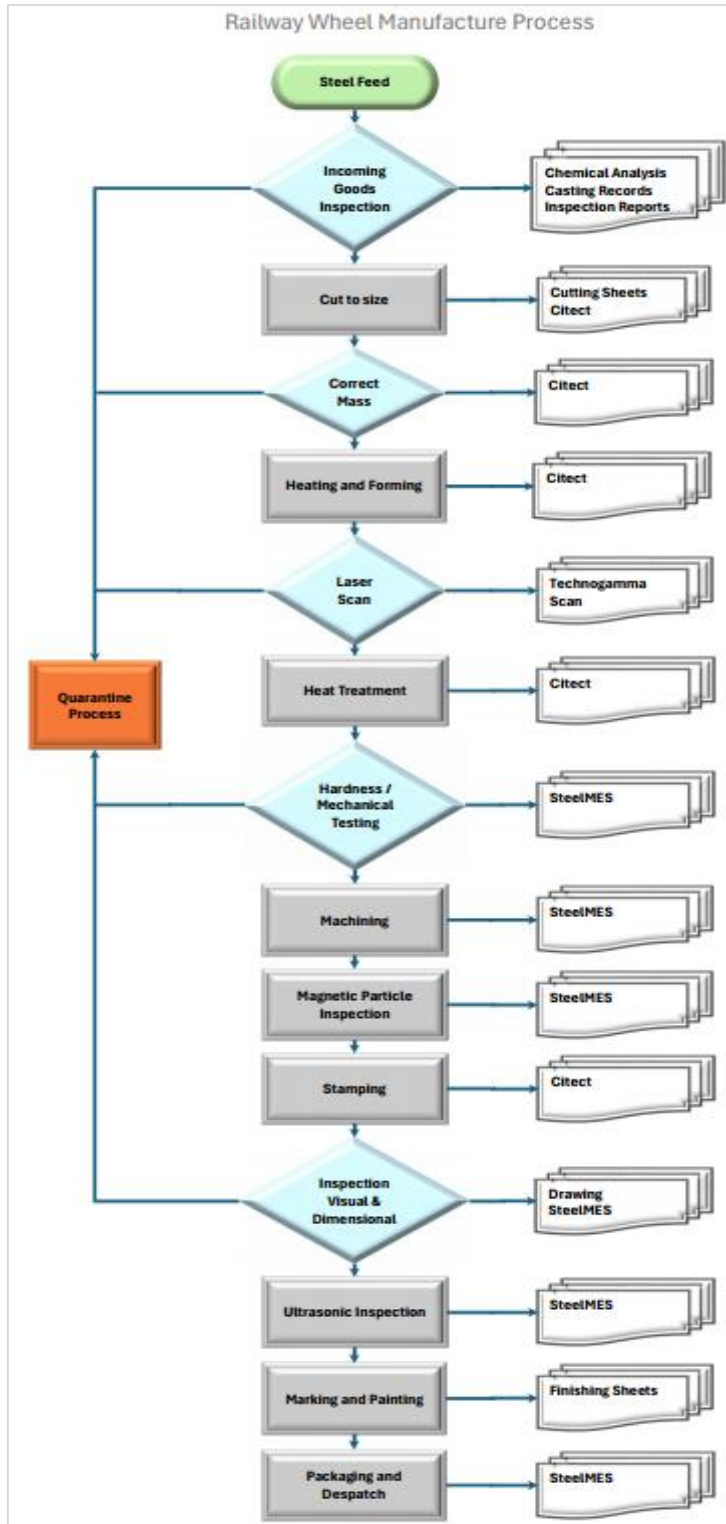
FRWs produced in Australia are manufactured in a similar manner and via similar production processes to the imported goods.

6. What is the Australian and New Zealand Standard Industrial Classification Code (ANZSIC) applicable to your product.

The ANZSIC applicable to the goods the subject of this application is 2393 – Railway Rolling Stock Manufacturing and Repair Services.

7. Provide a summary and a diagram of your production process.

The production process can be represented as follows:



Non-Confidential Table A-4.7: FRW production process

8. If your product is manufactured from both Australian and imported inputs:
- describe the use of the imported inputs; and
  - identify that at least one substantial process of manufacture occurs in Australia (for example by reference to the value added, complexity of process, or investment in capital).

FRWs are fully manufactured in Australia at Comsteel's Waratah production facility. Steel feed is imported from multiple international suppliers located in different geographical regions.

9. If your product is a processed agricultural good, you may need to complete Part C-3 (close processed agricultural goods).

Not applicable.

10. Supply a list of the names and contact details of all other Australian producers of the product.

Comsteel is the sole Australian manufacturer of the goods the subject of this application.

11. If different models can be established for the goods subject to the application:
- What are the differences in physical characteristics that give rise to distinguishable and material differences in price?

These characteristics are detailed below in the proposed Model Control Code (**MCC**) structure.

- Provide supporting documentation or analysis supporting the differences in physical characteristics that affects price comparability. Unit costs may also be used to demonstrate differences in physical characteristics where it affects price comparability.

Confidential Appendix A4 provides the relevant documentation that supports an assessment of the differences in physical characteristics that affect price comparability.

- In providing the list of physical differences, identify the characteristics in order of significance.

The proposed MCC structure identifies that outside wheel diameter is the main physical characteristic of the subject goods and like goods.

- Identify key characteristics where the physical differences are significantly different and it is not meaningful to compare models with different physical characteristics.

The below proposed MCC structure adequately accounts for this.

- Identify the physical characteristics that can be reported in relation to sales and cost data respectively. This should be reflected in the sales data provided in appendices A4 and A6.

The physical characteristics in the below-proposed MCC structure have been reported for sales data in Confidential Appendix A4. Confidential Appendix A6.1 and A6.2 have been prepared on a consolidated basis, then split by the relevant MCC product categories.

- Complete the table below having regard to the information provided above. The Commission will consider this information in establishing a model control code structure for the investigation.

The MCC structure for the subject goods and like goods is proposed as follows:

Item	Category	Sub-category	Identifier	Sales Data	Cost Data
1	Outside Wheel Diameter (OD)	708 OD	708	Mandatory	Mandatory
		737 OD	737		
		760 OD	760		
		762 OD	762		
		763 OD	763		
		768 OD	768		
		780 OD	780		
		787 OD	787		
		790 OD	790		
		800 OD	800		
		836 OD	836		
		840 OD	840		
		841 OD	841		
		844 OD	844		
		850 OD	850		
		915 OD	915		
		920 OD	920		
921 OD	921				
940 OD	940				

## A-5 The Australian market

1. Describe the end uses of both your product and the imported goods.

FRWs serve as the steel rolling item that allows freight rail vehicles/wagons to move along steel rails.

2. Describe the Australian market for the Australian and imported product and the conditions of competition within the overall market. Your description could include information about:
  - sources of product demand;
  - marketing and distribution arrangements;
  - typical customers/users/consumers of the product;
  - the presence of market segmentation, such as geographic or product segmentation;
  - causes of demand variability, such as seasonal fluctuations, factors contributing to overall market growth or decline, government regulation, and developments in technology affecting either demand or production;
  - the way in which the imported and Australian product compete; and
  - any other factors influencing the market.

The Australian market for the like goods and Chinese subject goods can be assessed as follows:

- Sources of product demand: driven by the requirements of certain Australian freight railway operators, for the rail transportation of goods. FRWs are fitted to freight wagons and under normal operating conditions typically have a service life of approximately 8 years. The wheel tread surface is worn-down, and consequently machined several times throughout its life to reclaim the tread running surface. Once fully worn, used wheels are removed from their axles and replaced with new wheels. This operation is carried out in the various maintenance facilities owned by the rail operators.
- Marketing and distribution arrangements: the manufacturers/suppliers of FRWs deal directly with the end customer and their maintenance suppliers. It is typical for end customers to run tenders for the supply of the goods.
- Typical customers/users/consumers of the goods: the following organisations are the end users of FRW like goods and Chinese subject goods:  
**[confidential text deleted: FRW customer names]**
- Market segmentation: the market can be segmented into capital purchases and maintenance purchases. This can be further segmented into bulk, coal, grain, and intermodal freight.
- Demand variability: demand is based on the life of the wheel (approx. eight years). Wear and tear can lead to replacement before this time, and some goods may have an extended usage timeframe. Operating parameters can lead to timelines outside of this (shorter or longer product lifespan's depending on use).

- Ways in which the imported and Australian products compete: the locally produced and imported FRWs are used interchangeably on customer’s freight wagons.
  - Other factors that influence the market: price is the key determinate factor in whether a customer will purchase locally manufactured or imported FRWs.
3. Identify if there are any commercially significant market substitutes for the Australian and imported product.

FRWs are considered the most cost competitive fit-for-purpose wheels for freight and related carriages. There are hence no commercially significant substitutes for the Australian and imported FRWs.

4. Complete appendix A1 (Australian production). This data is used to support your declaration at the beginning of this application.

Comsteel has completed Confidential Appendix A1 for total production (local and export sales) for the twelve months ending 30 June 2025.

5. Complete appendix A2 (Australian market).

Comsteel has completed Confidential Appendix A2 – Australian market for FRWs.

6. Use the data from appendix A2 (Australian market) to complete this table:

*Indexed table of sales quantities*

Year Ending June	(a)	(b)	(c)	(d)	(e)	(f)	Total Market
	Applicant Sales	Other Aust. Sales	Total Aust. Sales	Dumped Imports	Other Imports	Total Imports	
<b>2022</b>	100.00	100.00	100.00	100.00	100.00	100.00	100.00
<b>2023</b>	96.29	100.00	96.29	109.54	100.00	109.54	98.22
<b>2024</b>	84.66	100.00	84.66	72.78	100.00	72.78	82.93
<b>2025</b>	75.08	100.00	75.08	185.89	100.00	185.89	91.21

## A-6 Applicant's sales

1. Complete appendix A3 (sales turnover).

Comsteel has completed Confidential Appendix A3 for sales of FRWs.

2. Use the data from appendix A3 (sales turnover) to complete these tables.

*Indexed table of Applicant's sales quantities*

Quantity (units)	Year Ending June			
	2022	2023	2024	2025
<b>All Products</b>				
Australian market	100.00	97.84	87.74	71.32
Export Market	100.00	72.41	47.75	28.63
<b>Total</b>	<b>100.00</b>	<b>96.51</b>	<b>85.64</b>	<b>69.08</b>

<b>Like goods</b>				
Australian market	100.00	96.29	84.66	75.08
Export Market	100.00	80.46	39.97	7.28
<b>Total</b>	<b>100.00</b>	<b>93.88</b>	<b>77.87</b>	<b>64.78</b>

*Indexed table of Applicant's sales values*

Sales value (\$)	Year Ending June			
	2021	2022	2023	2024
<b>All Products</b>				
Australian market	100.00	112.77	98.47	81.22
Export Market	100.00	80.73	59.30	37.70
<b>Total</b>	<b>100.00</b>	<b>111.70</b>	<b>97.16</b>	<b>79.77</b>

<b>Like goods</b>				
Australian market	100.00	107.65	99.47	88.06
Export Market	100.00	87.59	51.42	9.68
<b>Total</b>	<b>100.00</b>	<b>105.14</b>	<b>93.45</b>	<b>78.24</b>

3. Complete appendix A5 (sales of other production) if you have made any:
  - internal transfers; or
  - domestic sales of like goods that you have not produced, for example if you have imported the product or on-sold purchases from another Australian manufacturer.

Not applicable.

4. Complete appendix A4 (domestic sales).

Comsteel has completed Confidential Appendix A4 for the twelve months ending 30 June 2025.

5. If any of the customers listed at appendix A4 (domestic sales) are associated with your business, provide details of the association. Describe the price effect of the association.

Comsteel is not related to any of the customers detailed in Confidential Appendix A4.

6. Attach a copy of distributor or agency agreements/contracts.

Comsteel does not have distributor or agency agreements for sales of the FRW like goods.

7. Provide copies of any price lists.

Refer Confidential Attachment A-6.7.

8. If any price reductions (for example commissions, discounts, rebates, allowances and credit notes) have been made on your Australian sales of like goods provide a description and explain the terms and conditions that must be met by the customer to qualify.
  - Where the reduction is not identified on the sales invoice, explain how you calculated the amounts shown in appendix A4 (domestic sales).
  - If you have issued credit notes (directly or indirectly) provide details if the credited amount has not been reported appendix A4 (domestic sales) as a discount or rebate.

Refer Confidential Appendix A-4.

9. Select two domestic sales in each quarter of the data supplied in appendix A4 (domestic sales). Provide a complete set of commercial documentation for these sales. Include, for example, purchase order, order acceptance, commercial invoice, discounts or rebates applicable, credit/debit notes, long or short-term contract of sale, inland freight contract, and bank documentation showing proof of payment.

Refer Confidential Attachment A-6.9.

10. Provide a list of model control codes from appendix A4.

Refer Confidential Appendix A4.

## A-7 General accounting/administration information

1. Specify your accounting period.

Comsteel's accounting period is July to June.

2. Provide details of the address(es) where your financial records are held.

Comsteel's financial records are maintained at Maud Street, Waratah, NSW, 2298.

3. To the extent relevant to the application, please provide the following financial documents for the two most recently completed financial years plus any subsequent statements:
  - chart of accounts;

Refer Confidential Attachment A-7.3.1.

- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion); internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods.  
*These documents should relate to:*
  1. the division or section/s of your business responsible for the production and sale of the goods covered by the application, and
  2. the company overall.

Refer Confidential Attachment A-7.3.1 and Confidential Attachment A-7.3.2.

4. If your accounts are **not** audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

Not applicable as Comsteel's accounts are audited annually.

5. If your accounting practices, or aspects of your practices, differ from Australian generally accepted accounting principles, provide details.

The accounting practices of Comsteel are maintained in accordance with Australia's generally accepted accounting principles.

6. Describe your accounting methodology, where applicable, for:
  - the recognition/timing of income, and the impact of discounts, rebates, sales returns warranty claims and intercompany transfers;

Revenue is recognised at an amount that reflects the consideration to which Comsteel is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, Comsteel: identifies the contract with a customer; identifies

the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method.

Revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised when a payment has been earned on an accrual basis.

- provisions for bad or doubtful debts;

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Comsteel has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

- the accounting treatment of general expenses and/or interest and the extent to which these are allocated to the cost of goods;

Cost is comprised of materials, labour and appropriate proportion of fixed and variable overheads, on an absorption cost basis.

- costing methods (eg by tonnes, units, revenue, activity, direct costs etc) and allocation of costs shared with other goods or processes;

Comsteel's costing methodology is by production/sales units.

- the method of valuation for inventories of raw material, work-in-process, and finished goods (eg FIFO, weighted average cost);

Inventories, including raw materials, work in progress and finished goods, are valued at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs may include the transfer from equity of any gains/losses on qualifying cash flow hedges relating to purchases of raw material.

Costs are assigned to individual items of inventory on the basis of weighted average cost. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

- valuation methods for scrap, by-products, or joint products;

At the lower of cost and net realisable value.

- valuation methods for damaged or sub-standard goods generated at the various stages of production;

At the lower of cost and net realisable value.

- valuation and revaluation of fixed assets;

Property, plant and equipment assets are carried at cost less any accumulated depreciation and/or impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Comsteel and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Consolidated Statement of Profit or Loss during the reporting period in which they are incurred.

Land is not depreciated. Depreciation is calculated on a straight line basis over the estimated useful life of the specific assets as follows:

- Buildings 20-40 years
- Plant & equipment 3-20 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in the Consolidated Statement of Profit or Loss.

- average useful life for each class of production equipment, the depreciation method and depreciation rate used for each;

As above.

- treatment of foreign exchange gains and losses arising from transactions and from the translation of balance sheet items; and

*Functional and presentation currency:*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional' currency'). The financial statements are presented in Australian Dollars, which is the functional and presentation currency, and all the values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

*Transactions and balances:*

Transactions in foreign currencies are translated into the functional currency using exchange rates that approximate those prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting period end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the Consolidated Statement of Profit or Loss, except when deferred in Equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. Translation differences on financial assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

*Foreign operations:*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity. The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

- restructuring costs, costs of plant closure, expenses for idle equipment and/or plant shut-downs.

Provisions for restructuring represents best estimate of the costs directly and necessarily incurred for restructuring and not associated with ongoing activities.

7. If the accounting methods used by your company have changed over the period covered by your application please provide an explanation of the changes, the date of change, and the reasons.

Accounting methods have not altered over the periods for which financial data has been prepared for this application, unless required by the relevant accounting standard.

## **A-8 Cost information**

1. Complete appendices A6.1 and A6.2 (cost to make and sell) for domestic and export sales.

Comsteel has completed Confidential Appendix A6.1 and A6.2.

2. Provide a list of model control codes from appendix A6.1 and A6.2.

The full list of Model Control Codes is provided above at A-4.11.

## A-9 Injury

The principal indicators of injury are price, volume and profit effects – although not all of these must be evident. For this application, profit refers to amounts earned. Profitability is the ratio of profit to sales revenue. Where the application includes a claim of threat of material injury you must also complete question C.2.

1. Estimate the date when the material injury from dumped and/or subsidised imports commenced.

Comsteel alleges that the material injury in its various forms, and arising from the volume and price effects of the dumped goods from China, has transpired throughout the proposed injury assessment and investigation periods.

Specifically, Comsteel claims, and will establish in subsequent parts of this application, that it has experienced material injury during the proposed injury and investigation periods in the forms of:

- lost sales volume and market share;
- lower production volumes;
- price suppression;
- price depression
- loss of profits;
- loss of profitability;
- decline in asset values;
- reduced Research & Development;
- reduced revenue;
- reduced return on investment;
- reduced capacity utilisation; and
- reduced productivity.

2. Using the data from appendix A6 (cost to make and sell), complete the following tables for each model control code of your production.

*Index of production variations (model control code)*

MCC – Outside Diameter	FY2022	FY2023	FY2024	FY2025
708 OD <sup>4</sup>	100.00	[XXX]	[XXX]	[XXX]
737 OD	100.00	[XXX]	[XXX]	[XXX]
760 OD	100.00	[XXX]	[XXX]	[XXX]
762 OD	100.00	[XXX]	[XXX]	[XXX]
763 OD <sup>5</sup>	100.00	[XXX]	[XXX]	[XXX]
780 OD	100.00	[XXX]	[XXX]	[XXX]
787 OD	100.00	[XXX]	[XXX]	[XXX]
800 OD <sup>6</sup>	100.00	[XXX]	[XXX]	[XXX]
840 OD	100.00	[XXX]	[XXX]	[XXX]
850 OD	100.00	[XXX]	[XXX]	[XXX]

<sup>4</sup> The indicia for this MCC begins FY2023.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

915 OD	100.00	[XXX]	[XXX]	[XXX]
920 OD	100.00	[XXX]	[XXX]	[XXX]
921 OD	100.00	[XXX]	[XXX]	[XXX]
940 OD	100.00	[XXX]	[XXX]	[XXX]
<b>Total</b>	<b>100.00</b>	<b>98.56</b>	<b>93.69</b>	<b>74.20</b>

*Index of cost variations (model control code)*

<b>MCC – Outside Diameter</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
708 OD	100.00	[XXX]	[XXX]	[XXX]
737 OD	100.00	[XXX]	[XXX]	[XXX]
760 OD	100.00	[XXX]	[XXX]	[XXX]
762 OD	100.00	[XXX]	[XXX]	[XXX]
763 OD	100.00	[XXX]	[XXX]	[XXX]
780 OD	100.00	[XXX]	[XXX]	[XXX]
787 OD	100.00	[XXX]	[XXX]	[XXX]
800 OD	100.00	[XXX]	[XXX]	[XXX]
840 OD	100.00	[XXX]	[XXX]	[XXX]
850 OD	100.00	[XXX]	[XXX]	[XXX]
915 OD	100.00	[XXX]	[XXX]	[XXX]
920 OD	100.00	[XXX]	[XXX]	[XXX]
921 OD	100.00	[XXX]	[XXX]	[XXX]
940 OD	100.00	[XXX]	[XXX]	[XXX]
<b>Total</b>	<b>100.00</b>	<b>112.38</b>	<b>119.11</b>	<b>115.91</b>

*Index of price variations (model control code)*

<b>MCC – Outside Diameter</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
708 OD	100.00	[XXX]	[XXX]	[XXX]
737 OD	100.00	[XXX]	[XXX]	[XXX]
760 OD	100.00	[XXX]	[XXX]	[XXX]
762 OD	100.00	[XXX]	[XXX]	[XXX]
763 OD	100.00	[XXX]	[XXX]	[XXX]
780 OD	100.00	[XXX]	[XXX]	[XXX]
787 OD	100.00	[XXX]	[XXX]	[XXX]
800 OD	100.00	[XXX]	[XXX]	[XXX]
840 OD	100.00	[XXX]	[XXX]	[XXX]
850 OD	100.00	[XXX]	[XXX]	[XXX]
915 OD	100.00	[XXX]	[XXX]	[XXX]
920 OD	100.00	[XXX]	[XXX]	[XXX]
921 OD	100.00	[XXX]	[XXX]	[XXX]
940 OD	100.00	[XXX]	[XXX]	[XXX]
<b>Total</b>	<b>100.00</b>	<b>111.80</b>	<b>117.50</b>	<b>117.28</b>

*Index of profit variations (model control code)*

<b>MCC – Outside Diameter</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
708 OD	100.00	[XXX]	[XXX]	[XXX]
737 OD	100.00	[XXX]	[XXX]	[XXX]

760 OD	100.00	[XXX]	[XXX]	[XXX]
762 OD	100.00	[XXX]	[XXX]	[XXX]
763 OD	100.00	[XXX]	[XXX]	[XXX]
780 OD	100.00	[XXX]	[XXX]	[XXX]
787 OD	100.00	[XXX]	[XXX]	[XXX]
800 OD	100.00	[XXX]	[XXX]	[XXX]
840 OD	100.00	[XXX]	[XXX]	[XXX]
850 OD	100.00	[XXX]	[XXX]	[XXX]
915 OD	100.00	[XXX]	[XXX]	[XXX]
920 OD	100.00	[XXX]	[XXX]	[XXX]
921 OD	100.00	[XXX]	[XXX]	[XXX]
940 OD	100.00	[XXX]	[XXX]	[XXX]
<b>Total</b>	<b>100.00</b>	<b>116.37</b>	<b>130.10</b>	<b>106.57</b>

*Index of profitability variations (model control code)*

<b>MCC – Outside Diameter</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
708 OD	100.00	[XXX]	[XXX]	[XXX]
737 OD	100.00	[XXX]	[XXX]	[XXX]
760 OD	100.00	[XXX]	[XXX]	[XXX]
762 OD	100.00	[XXX]	[XXX]	[XXX]
763 OD	100.00	[XXX]	[XXX]	[XXX]
780 OD	100.00	[XXX]	[XXX]	[XXX]
787 OD	100.00	[XXX]	[XXX]	[XXX]
800 OD	100.00	[XXX]	[XXX]	[XXX]
840 OD	100.00	[XXX]	[XXX]	[XXX]
850 OD	100.00	[XXX]	[XXX]	[XXX]
915 OD	100.00	[XXX]	[XXX]	[XXX]
920 OD	100.00	[XXX]	[XXX]	[XXX]
921 OD	100.00	[XXX]	[XXX]	[XXX]
940 OD	100.00	[XXX]	[XXX]	[XXX]
<b>Total</b>	<b>100.00</b>	<b>104.09</b>	<b>110.72</b>	<b>90.87</b>

3. Complete appendix A7 (other injury factors).

Where applicable to injury claims, prepare an indexed table for other injury factor(s) in the format above.

*Index of relevant Appendix A7 factors*

<b>FRWs</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
Asset values	100.00	116.76	76.35	73.54
Research & Development	100.00	98.43	81.22	18.76
Revenue	100.00	107.65	99.47	88.06
Return on Investment	(100.00)	(108.76)	(263.97)	(209.39)
Capacity Utilisation	100.00	98.56	93.69	74.20
Productivity	100.00	91.94	87.40	75.41

## A-10 Link between injury and dumped or subsidised imports

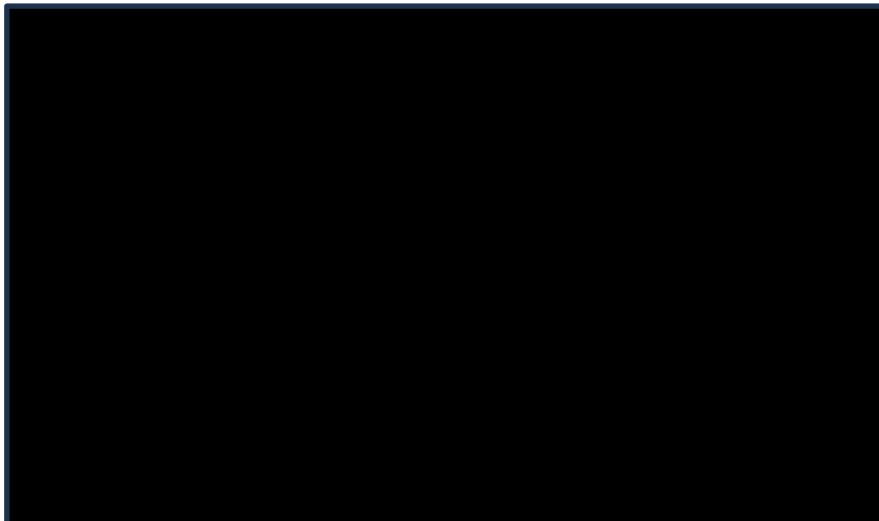
To establish grounds to initiate an investigation there must be evidence of a causal relationship between the injury and the alleged dumping or subsidisation. This section provides for an applicant to analyse the data provided in the application to establish this link. It is not necessary that injury be shown for each economic indicator.

1. Identify from the data at appendix A2 (Australian market) the influence of the volume of dumped and/or subsidised imports on your quarterly sales volume and market share.

There is a direct correlation between the ongoing presence and increase in volumes of FRWs imported from China and the Australian industry's annual sales volume and market share for the like goods. Confidential Chart A-10.1.1 and A-10.1.2 below highlight this:



**Confidential Chart A-10.1.1:** Year Ending June 2022-2025 Australian market share (source: Appendix A2)



**Confidential Chart A-10.1.2:** Year Ending June 2022-2025 Australian market share (source: Appendix A2)

Across the injury analysis and investigation periods, imports of FRWs from China have

grown and their relative presence in the Australian market has increased.

When compared to the FY2022 base year, Chinese imports increased by [XX] percent in FY2023, followed by a decline of [XX] percent in FY2024, then a substantial [XX] percent increase in FY2025.<sup>7</sup> Year-on-year, Chinese imports increased by [XX] percent in FY2023, declined by [XX] percent in FY2024, then increased by [XX] percent in FY2025.<sup>8</sup>

Critically, the total Australian FRW market over the injury analysis and investigation periods has declined by an estimated [XX] percent. This has translated to a material [XX] percent loss of sales volume for the Australian industry.

The injury to Comsteel considering this trend cannot be understated. A declining market in conjunction with an unprecedented Chinese presence (especially since FY2024) has translated to material lost revenue injury due to Comsteel’s lost market share. China has established a large supply channel into the Australian market in a relatively short period of time. Comsteel also expects this channel will be utilised more aggressively going forward (refer A-10.7).

In quantifying lost market share injury, Comsteel provides a scenario-specific market share loss FY2025 assessment premised on relevant pricing variables – indicating a range within which material injury has been suffered:

FY2025 Market Share Loss Assessment

*[Confidential details deleted: material market share injury calculated under various scenarios under the application of Chinese and/or Australian industry net selling prices at FY2025 import volume multipliers].*



Taking scenario [XX] as the most conservative, the lost market share injury to Comsteel represents approximately [XX] percent of Comsteel’s FY2025 net sales revenue of FRW’s. At the least conservative scenario [XX], the injury to Comsteel accounts for approximately [XX] percent of FY2025 net sales. This volume loss has also materially impacted Comsteel’s

<sup>7</sup> Refer Confidential Appendix A2.  
<sup>8</sup> Ibid.

cost to make and sell (**CTMS**), with lower throughput resulting in higher per unit costs.<sup>9</sup>

2. Use the data at appendix A2 (Australian market) to show the influence of the price of dumped and/or subsidised imports on your quarterly prices, profits and profitability provided at appendix A6.1 (costs to make and sell). If appropriate, refer to any price undercutting and price depression evident in the market.

### Influence on prices

The correlation between the Australian industry's quarterly selling prices for the like goods and the annual FOB export prices for the dumped and subsidised imports across the injury analysis and investigation period exists because the Australian industry's prices were influenced by the presence and prices of the dumped and subsidised imports. Specifically, Comsteel has responded to the presence of imports (by importers of the dumped goods) by depressing and suppressing its prices for like goods. This has been of particular prevalence during FY2024 and FY2025.

The Commission's Dumping and Subsidy Manual (**the Manual**)<sup>10</sup> states that price suppression, in terms of Article 3.2 of the ADA, is where price increases for the Australian industry's products, which otherwise would have occurred, have been prevented to a significant degree.<sup>11</sup> In determining whether price suppression has occurred, the Commission may examine:<sup>12</sup>

- a comparison of prices with costs to assess whether over time (e.g. the injury analysis period) or within a specified period (e.g. the investigation period) prices have not increased at the same rate as cost increases; and/or
- an assessment as to whether the prices for the Australian industry's product are lower than prices that may have been achieved in the absence of dumping.

In either case, the Commission will base its price suppression analysis on a counterfactual conclusion – assessing what trend in, or level of, prices the Australian industry would have achieved in the absence of dumping.<sup>13</sup>

Comsteel submits that, absent imports from China at material margins of dumping, it would have achieved prices indicative of a level playing field in the Australian market.

Comsteel provides the following evidence of customer price correspondence and negotiations for supply of FRWs for FY2025. The price undercutting and therefore price depression has caused material injury to Comsteel.

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<sup>9</sup> This is to say nothing of the impact of lower FRW volumes on Comsteel's total production facility – a lower production throughput for a subset of manufactured goods increases the total cost of producing all goods, where the same fixed assets, labour resources, and overheads are utilised to manufacture both the affected subset and other products. This is because the fixed and shared operating costs are distributed over a smaller total output, thereby raising the unit cost for all goods produced.

<sup>10</sup> Dumping and Subsidy Manual, December 2021.

<sup>11</sup> The Manual, p. 16.

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

[**confidential text deleted: injury case study details**]<sup>14 15 16 17 18 19 20 21 22</sup>

This analysis indicates that Australian industry prices have been undercut and that Comsteel would have achieved higher prices in the absence of the presence of FRWs exported from China at dumped and subsidised prices. In other words, the systemic underselling and price undercutting caused the Australian industry to experience price depression and suppression that it would not have otherwise experienced if not for the offers for the sale of dumped and subsidised goods.

### **Influence on profits and profitability**

Comsteel competes on price to maintain production volume. Therefore, the Australian industry's profits (expressed as net gains or loss) and profitability are affected by factors impacting its ability to raise prices sufficient to cover costs.

Confidential Charts A-10.2.2 and A-10.2.3, below, show the influence of the price of dumped and subsidised imports on the Australian industry's quarterly profits and profitability. Broadly, during periods of export price inflation the Australian industry's profits and profitability grew, compared to periods of export price deflation:



**Confidential Chart A-10.2.2:** Quarterly export prices of dumped goods and Australian industry net gain/loss (sources: Appendices A2 and A6.1)

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<sup>14</sup> Confidential Attachment A-10.2.1.0.

<sup>15</sup> Confidential Attachment A-10.2.1.

<sup>16</sup> Confidential Attachment A-10.2.2.

<sup>17</sup> Confidential Attachment A-10.2.3.

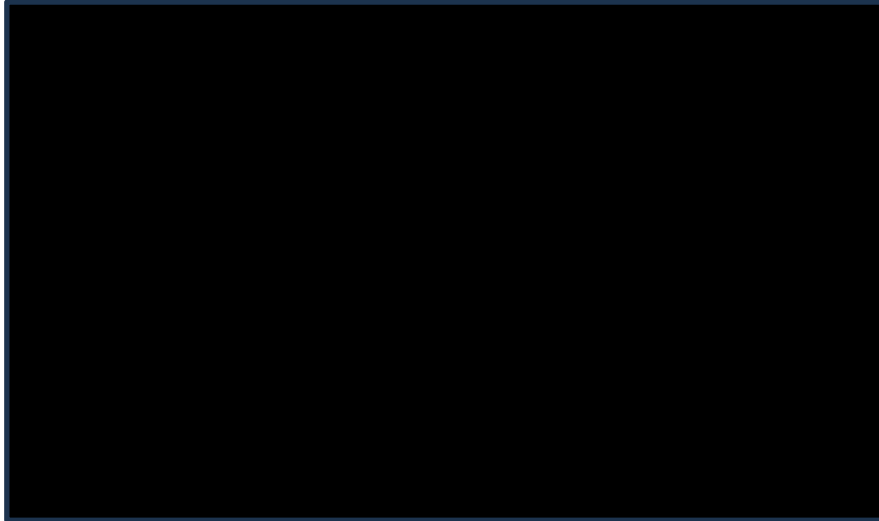
<sup>18</sup> Comsteel notes that [**confidential text deleted: injury case study details**], Confidential Attachment A-10.2.6 provides evidence of [**confidential text deleted: FY2026 supply period details**].

<sup>19</sup> Confidential Attachment A-10.2.4 / Confidential Attachment A-10.2.5.

<sup>20</sup> Confidential Attachment A-10.2.4.

<sup>21</sup> Confidential Attachment A-10.2.3.

<sup>22</sup> Refer also Confidential Attachment A-10.2.7 [**confidential text deleted: injury case study details**].



**Confidential Chart A-10.2.3:** Quarterly export prices of dumped goods and Australian industry profitability (sources: Appendices A2 and A6.1)

3. Compare the data at appendix A2 (Australian market) to identify the influence of dumped and/or subsidised imports on your quarterly costs to make and sell at appendix A6.1 (for example refer to changes in unit fixed costs or the ability to raise prices in response to material cost increases).

Confidential Chart A-10.3.1 below indicates that the Australian industry experienced price suppression throughout the assessment period with rising or sustained volumes of the goods exported from China:



**Confidential Chart A-10.3.1:** China volume influence on net prices, together with unit CTMS of Australian industry's own production (Sources: Appendix A2 and A6.1)

4. The quantity and prices of dumped and/or subsidised imported goods may affect various economic factors relevant to an Australian industry. These include, amongst other things, the return on investment in an industry, cash flow, the number of persons employed and their wages, the ability to raise capital, and the level of investment in the industry. Describe, as appropriate, the effect of dumped and/or subsidised imports on these factors and where applicable use references to the data you have provided at appendix A7 (other economic factors). If factors other than those listed at appendix A7 (other economic factors) are relevant, include discussion of those in response to this question.

The impact of the dumped and subsidised FRWs from China has been significant in terms of price-effect and volume injury. Comsteel can demonstrate at Confidential Appendix A7 that it has also experienced injury in other forms, including:

- decline in asset values;
- reduced Research & Development;
- reduced revenue;
- reduced return on investment;
- reduced capacity utilisation; and
- reduced productivity.

5. Describe how the injury factors caused by dumping and/or subsidisation and suffered by the Australian industry are considered to be 'material'.

Comsteel considers that it has experienced material injury during the proposed injury assessment and dumping periods in the form of:

- lost sales volume and market share;
- lower production volumes;
- price suppression;
- price depression
- loss of profits;
- loss of profitability;
- decline in asset values;
- reduced Research & Development;
- reduced revenue;
- reduced return on investment;
- reduced capacity utilisation; and
- reduced productivity.

#### ***Volume/market share effects***

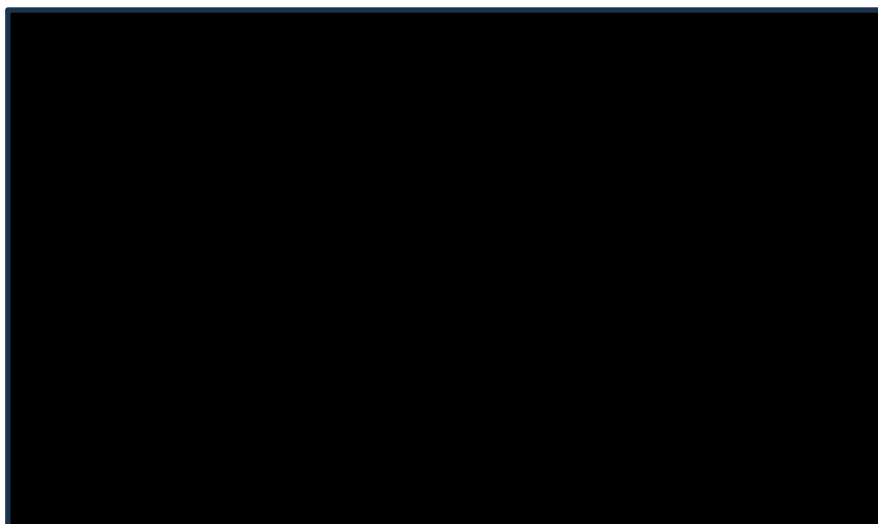
Comsteel has been unable to maintain and/or increase sales volume across the injury analysis period, which has been reflected in its material loss of market share to dumped imports from China.

The above FY2025 market share loss assessment dovetails into the following Table A-10.5.1 which indicates that Comsteel's total domestic sales volume for FRWs has decreased by approximately [XX] percent:

FRWs	FY2022	FY2023	FY2024	FY2025
Sales quantity	100.00	98.56	93.69	74.20

**Non-Confidential Table A-10.5.1:** Index of Australian industry’s sales of FRWs (source: Appendix A6.1)

Confidential Chart A-10.5.2 below shows that Comsteel’s share of the Australian market for FRWs has declined since FY2022:



**Confidential Chart A-10.5.2:** Australian market share for FRWs (source: Appendix A2)

Reemphasised here is that China has acquired Australian FRW market share in a declining overall market. Confidential Appendix A2 details that the Australian market for FRWs declined by approximately [XX] units over the injury analysis and investigation periods, from [XX] units in FY2022, to [XX] units in FY2025 (in percentage terms, a fall of [XX] percent). This has placed even greater pressure on the Australian industry to maintain sales volumes and market share, albeit unsuccessfully.

Comsteel therefore considers it has suffered material injury in the form of lost sales volumes since FY2022, which continued through to FY2025.

***Price depression and suppression***

Price suppression occurs when price increases, which otherwise would have occurred, have been prevented. One indicator of price suppression is the margin between revenues and costs. This approach is proposed by Comsteel in its analysis, as it contends that a normal business unaffected by dumping would look to increase prices to, at a minimum, cover its Cost to Make and Sell (**CTMS**) and attempt to maximise profits.

Confidential Charts A-10.5.3 and A-10.5.4 below demonstrate movements in Comsteel’s unit net sales revenue and unit CTMS (indexed and actuals) for FRWs during the proposed injury analysis and investigation periods:



**Confidential Chart A-10.5.3:** Australian unit selling price and CTM&S, indexed (source: Appendix A6.1)



**Confidential Chart A-10.5.4:** Australian unit selling price and CTM&S, actuals (source: Appendix A6.1)

There is clear evidence of price suppression, commencing FY2022. On an indexed basis, Comsteel's weighted average unit costs remained above weighted average unit selling prices through to FY2025. On an actuals basis, unit costs have remained well-above unit sales revenues across the proposed full inquiry period.

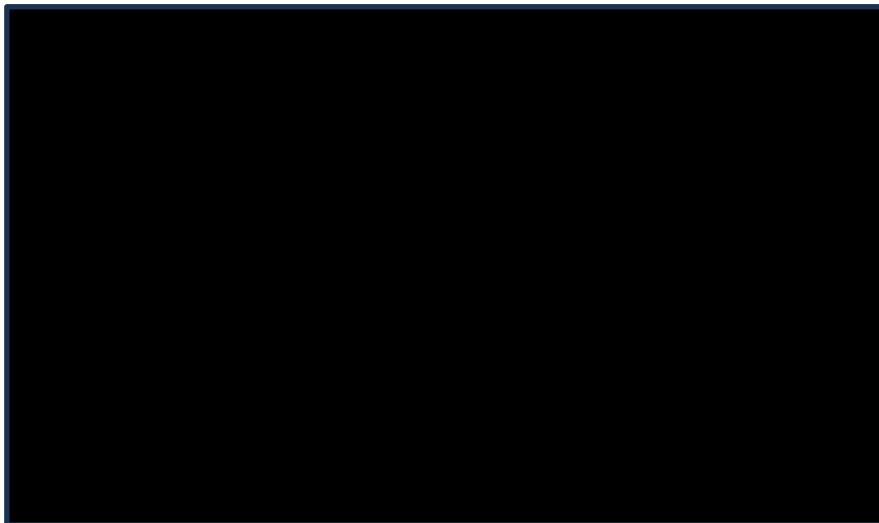
Comsteel therefore considers that it has suffered material injury in the form of price depression and suppression. This is demonstrated by the inability of Comsteel to increase prices sufficiently to cover increases in the CTMS of the goods, and/or by needing to reduce prices by more than any reductions in the CTMS.

**Profits & profitability**

Confidential Charts A-10.5.5 and A-10.5.6 below indicate that the Australian industry experienced materially declining profits and profitability during the proposed injury analysis and dumping periods:



**Confidential Chart A-10.5.5:** Australian industry profits and profitability – indexed (source: Appendix A6.1)



**Confidential Chart A-10.5.5.6:** Australian industry profits and profitability – actuals (source: Appendix A6.1)

The ongoing prevalence of price suppression and depression has impacted negatively on Comsteel’s profits and profitability over the proposed injury analysis and investigation periods. Comsteel considers that its unit revenue and profitability would not have declined to the levels indicated if price suppression and depression were not occurring. Therefore, Comsteel considers that it has suffered injury in the form of reduced profits and profitability and that injury was caused by sales of FRWs exported from China at dumped and subsidised prices, and that the injury was material.

Further, due to the relatively high fixed costs required to produce FRWs and other types of steel railway wheels, the loss of sales volume has resulted in fixed costs on a per unit basis being higher than they otherwise would be resulting in reduced profitability for Comsteel. This has placed significant pressure not only on Comsteel’s Australian FRW business, but on Comsteel’s entire Australian manufacturing operation, and calling into question its viability in the medium and longer term.

**Other economic factors**

Comsteel considers that it has also experienced material injury vis-à-vis several other relevant economic factors as set out in s.269TAE(3). Specifically, injury in the form of:

- decline in asset values;
- reduced Research & Development;
- reduced revenue;
- reduced return on investment;
- reduced capacity utilisation; and
- reduced productivity.

**Decline in asset values**

Comsteel has provided its value of assets over the injury analysis period, as determined for the like goods. As indicated in Table A-10.5.6 below, there was a decline in asset values throughout the injury analysis period:

Period	FY2022	FY2023	FY2024	FY2025
Asset values	100.00	116.76	76.35	73.54

**Non-Confidential Table A-10.5.6:** Index of changes to asset values (source: Appendix A7)

**Reduced Research & Development**

As indicated in Table A-10.5.7 below, there was a decline in Research & Development expenditure (R&D) commencing FY2023:

Period	FY2022	FY2023	FY2024	FY2025
R&D	100.00	98.43	81.22	18.76

**Non-Confidential Table A-10.5.7:** Index of changes to R&D (source: Appendix A7)

**Reduced Revenue**

Comsteel’s decline in FRW sales revenue has been evidenced above as the direct result of lost market share, price depression and price suppression due to dumped and subsidised Chinese imports:

Period	FY2022	FY2023	FY2024	FY2025
Revenue	100.00	107.65	99.47	88.06

**Non-Confidential Table A-10.5.8:** Index of changes to revenue (source: Appendix A7)

### ***Reduced return on investment***

As indicated in Table A-10.5.9 below, there was a continued decline in negative returns on investment (**ROI**) throughout the full inquiry period, a trend that would not have been apparent but for dumped and material injurious subject goods imports:

<b>Period</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
ROI	(100.00)	(108.76)	(263.97)	(209.39)

**Non-Confidential Table A-10.5.9:** Index of changes to ROI (source: Appendix A7)

### ***Reduced capacity utilisation***

As indicated in Table A-10.5.10 below, capacity utilisation declined over the proposed investigation period. The declining demand for Comsteel's like goods can be directly attributed to dumped and subsidised Chinese subject goods imports:

<b>Period</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
Capacity utilisation	100.00	98.56	93.69	74.20

**Non-Confidential Table A-10.5.10:** Index of changes to capacity utilisation (source: Appendix A7)

### ***Reduced productivity***

As indicated in Table A-10.5.11 below, there was a decline in productivity commencing in FY2023:

<b>Period</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
Productivity	100.00	91.94	87.40	75.41

**Non-Confidential Table A-10.5.11:** Index of changes to productivity (source: Appendix A7)

### ***Materiality of Injury***

In the context of Australian FRW market conditions over the proposed injury analysis and dumping periods, Comsteel contends that the injury suffered by it (and caused by the dumped and subsidised imports from China) is greater than that likely to occur in the normal ebb and flow of business.

Comsteel has experienced declines in revenue over the injury analysis and investigation periods, alongside corresponding declines in profitability.

Comsteel has lost market share and has experienced price suppression and depression within the investigation period. When considered as a whole, these factors have adversely impacted FRW profits and profitability, collectively and not in isolation. When also taking account of all relevant economic factors, Comsteel has experienced injury from trade in the subject goods from China, and such injury is considered material.

6. Discuss factors other than dumped and/or subsidised imports that may have caused or may threaten to cause injury to the industry. This may be relevant to the application in that an industry weakened by other events may be more susceptible to injury from dumping and subsidisation.

Subsection 269TAE(2A) contains a non-exhaustive list of factors that the Minister must have regard to when considering whether injury is being caused by factors other than exportation of the dumped goods.

#### ***The volume and prices of imported like goods that are not dumped***

China constitutes the only source of FRWs exported to Australia over the proposed investigation period. Comsteel therefore submits that there are no imported like goods that are not dumped.

#### ***Contractions in demand or changes in patterns of consumption***

Confidential Appendix A-2 shows that the total Australian FRW market declined over the injury analysis and investigation periods.

Comsteel is not aware of any material changes in patterns of consumption (outside the factors outlined above regarding the size of the Australian market) in the proposed investigation period such that would alter the demand for the goods and like goods in the Australian market.

#### ***Developments in technology***

Comsteel is unaware of any developments in technology that would otherwise explain any aspect of the material injury experienced by the Australian industry.

#### ***Export performance and productivity of the Australian industry***

Given the small proportion of export FRW sales as compared to sales on the Australian domestic market, Comsteel does not consider this to be a factor causing injury.

7. This question is not mandatory, but may support your application. Where trends are evident in your estimate of the volume and prices of dumped and/or subsidised imports, forecast their impact on your industry's economic condition. Use the data at appendix A2 (Australian market), appendix A6 (cost to make and sell), and appendix A7 (other economic factors) to support your analysis.

Comsteel's economic position in the period following the proposed FY2025 investigation period will be detrimentally impacted by the accelerating trend in Chinese imports, which have been shown in this application to be materially injurious (Part A refers) by virtue of dumping and subsidisation (Parts B and C refer).

The most immediate impact on Comsteel's economic position [**confidential text deleted: forecast impact and evidence of material injury in the period following the proposed FY2025 investigation period**].<sup>23 24 25 26</sup>

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<sup>23</sup> Confidential Attachment A-10.7.1.

<sup>24</sup> Confidential Attachments A-10.7.2, 3, and 4.

<sup>25</sup> Confidential Attachment A-10.7.5.

<sup>26</sup> Confidential Attachment A-10.7.6, at slides [XX] through [XX].

# PART B

## DUMPING

### **IMPORTANT**

All questions in Part B should be answered even if the answer is 'Not applicable' or 'None' (unless the application is for countervailing duty only: refer Part C). If an Australian industry comprises more than one company/entity, Part B need only be completed once.

## B-1 Source of exports

1. Identify the country(ies) of export of the dumped goods.

The goods the subject of this application are exported from China.

2. Identify whether each country is also the country of origin of the imported goods. If not, provide details.

Comsteel understands that the country of export is also the country of origin of the goods the subject of this application.

3. If the source of the exports is a non-market economy, or an 'economy in transition' refer to Part C.4 and Part C.5 of the application.

Not applicable.

4. Where possible, provide the names, addresses and contact details of:
  - producers of the goods exported to Australia;
  - exporters to Australia; and
  - importers in Australia.

The following are understood by Comsteel to be Chinese producers and exporters of FRWs:

- Maanshan Iron & Steel Company Limited (**Maasteel**)  
No. 8 Jiu Hua Xi Road, Maanshan City  
Anhui Province, 243003  
People's Republic of China  
Email: [mggf@baowugroup.com](mailto:mggf@baowugroup.com)  
URL: [www.magang.com.cn](http://www.magang.com.cn) / [www.magang.com.hk](http://www.magang.com.hk)
- Maanshan Tianjun Machinery Manufacturing Co., Ltd.  
No. 196 , Cihu South Street, Cihu Technical Industrial Zone, Maanshan City  
People's Republic of China  
Email: [info@tj-wheels.com](mailto:info@tj-wheels.com)  
URL: [www.tj-whhel.com](http://www.tj-whhel.com)
- Maanshan Kingrail Technology Co., Ltd  
Building 1, Cross-border E-commerce Industrial Park  
Comprehensive Bonded Zone, Zhengpugang New District  
Maanshan City, Anhui Province  
People's Republic of China  
Email: [info@kirail.com](mailto:info@kirail.com)  
URL: [www.kirail.com](http://www.kirail.com)

The following are understood by Comsteel to be potential Australian importers of Chinese FRWs:

*[confidential text deleted: disclosure of Australian importers would likely result in commercial disadvantage to Comsteel].*

5. If the import volume from **each** nominated country at Appendix A.2 (Australian Market) does not exceed 3% of all imports of the product into Australia refer to Part C.6 of the application.

Not applicable. Import volumes from China are estimated to exceed 3% of all imports of the goods the subject of this application.

6. In the case of an application for countervailing measures against exports from a developing country, if the import volume from **each** nominated country at Appendix A.2 (Australian Market) does not exceed 4% of all imports of the product into Australia refer to Part C.6 of the application

Not applicable as the import volumes from China is estimated to exceed 4% of all imports of the goods the subject of this application.

## **B-2 Export price**

Possible sources of information on export price include export price lists; estimates from the Australian Bureau of Statistics; a deductive export price calculation from the Australian selling price of the imported goods; export sales quotations or invoices; foreign government export trade clearances.

1. Indicate the FOB export price(s) of the imported goods. Where there are different model control codes or levels of trade involved, an export price should be supplied for each.

Comsteel has included FOB values for the subject goods per Confidential Appendix A2, as sourced from *[confidential text deleted: import price sources]*. An average FOB price for FRWs imported from China has been calculated from the identified tariff sub-heading for the subject goods.

2. Specify the terms and conditions of the sale, where known.

The export prices for the imported goods from China are FOB, export point of sale.

3. If you consider published export prices are inadequate, or do not appropriately reflect actual prices, please calculate a deductive export price for the goods. Appendix B1 (Deductive Export Price) can be used to assist your estimation.

The researched export price data for China is considered adequate for the purposes of this application.

4. It is important that the application be supported by evidence to show how export price(s) have been calculated or estimated. The evidence should identify the source(s) of data.

Refer Confidential Appendix A2 for import volume and value details for the goods the subject of this application.

### **B-3 Selling price (normal value) in the exporter's domestic market**

Possible sources of information about domestic selling prices in the country of export include: price lists for domestic sales (with information on discounts); actual quotations or invoices relating to domestic sales; published material providing information on the domestic selling prices; or market research undertaken on behalf of the applicant.

1. State the selling price for each model control code of like goods sold by the exporter, or other sellers, on the domestic market of the country of export.

#### **Introduction**

Domestic Chinese selling prices for FRWs are considered artificially low due to the Government of China's (**GOC**)<sup>27</sup> influence on key raw material inputs.

The Commission's Manual explains that in considering whether sales are not suitable for use in determining a normal value under section 269TAC(1) because of the situation in the market of the country of export, the Commission may have regard to factors such as:

- whether the prices are artificially low; or
- whether there are other conditions in the market which render sales in that market not suitable for use in determining prices under section 269TAC(1).<sup>28</sup>

Prices may be considered artificially low or lower than they would otherwise be in a competitive market due to government influence and distortion of the costs of inputs.<sup>29</sup> In making this assessment, the Commission looks at the effect of this influence on market conditions and the extent to which domestic prices do not prevail in a normal competitive market.

For several steel products manufactured in China and exported to Australia, the Commission has previously determined that a particular market situation (**PMS**) exists.<sup>30</sup> The investigations by the Commission have enabled it to progressively build its knowledge and understanding of the dynamics of Chinese steel markets since 2011/12.

The Commission's June 2024 assessment of Chinese domestic market conditions for Certain Railway Wheels holds important precedential relevance to this application.<sup>31</sup> In this inquiry

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<sup>27</sup> In this assessment, GOC refers to all levels of government in China, unless otherwise specified. Similarly, Comsteel refers to Chinese state owned and state invested enterprises collectively as "SOEs".

<sup>28</sup> The Manual, p. 29.

<sup>29</sup> Ibid.

<sup>30</sup> Refer, for example, Trade Measures Report No.'s 177, 190, 198, 285, 379, 419, 441, 521, 522, 590, 610, 611, 617, and most relevantly and recently CON 632 (where, as noted above, it was not necessary for the Commission to reach a conclusion on a PMS regarding certain railway wheels, but that it nonetheless set out its views as a record of the Commissioner's investigative process (p. 96 of REP 632 refers)).

<sup>31</sup> Report No. 632; Inquiry into the Continuation of Anti-Dumping Measures on Certain Railway Wheels Exported to Australia from the People's Republic of China and the French Republic.

(expanded further below) the Commission found that the conditions in the steel and steel input markets directly affected the domestic market for railway wheels in China.<sup>32</sup> The situation affected the Chinese market for the goods, primarily through the distortion of steel billet costs, the principal raw material input for the goods.<sup>33</sup>

This current and all previous analysis of the Chinese steel industry has established that the GOC plays a significant influencing role in the industry. This has impacted selling prices for steel products, including FRWs, such that they are lower than they otherwise would be.

Comsteel submits that that during the proposed FY2025 investigation period there exists a PMS in the Chinese domestic market for FRWs that renders sales unsuitable for determining normal values under subsection 269TAC(1), due to the influence of the GOC in the Chinese iron and steel industry.

### **A. The Chinese iron & steel industry – CON 632**

In CON 632, the Commission undertook a comprehensive assessment of the Chinese domestic market for railway wheels and their inputs. While it was not necessary for the Commission to reach a conclusion on a PMS, it nonetheless formalised its views as a record of the investigative process.<sup>34</sup> The Commission's analysis, as set out in Sections C3 to C6 of REP 632, provides substantial evidence that the GOC exercises pervasive control over the steel sector and, by extension, the production and pricing of railway wheels. This control fundamentally distorts market conditions in China.

The Commission's position is as follows:

#### Assessment of Chinese Market Conditions<sup>35</sup>

The Commission's starting point was to assess whether the Chinese domestic market for railway wheels operated under market economy conditions. It concluded that it does not.

The Commission identified that upstream and downstream segments of the railway wheel value chain in China are subject to distortions arising from government policies, state ownership, and regulatory interventions. These distortions include subsidised inputs (e.g. steel billet), non-commercial financing arrangements, and state planning mechanisms that influence pricing and investment.

As a result, domestic prices for railway wheels in China were not the outcome of free-market dynamics, and therefore did not reflect reliable benchmarks for the determination of normal values.

#### GOC's Role in the Chinese Steel Sector<sup>36</sup>

In overview, SEF 632 stated that:<sup>37</sup>

*The Chinese economy in general has undergone significant economic structural*

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<sup>32</sup> Report No. 632 to CON 632, p. 124.

<sup>33</sup> Ibid.

<sup>34</sup> The absence of an official China PMS conclusion was because MTM (Boawu Group Masteel Rail Transit Materials Technology Co Ltd) only sold domestic like goods in non-arms length transactions and not in the ordinary course of trade – there was hence an absence of sales of like goods in China relevant for the purpose of determining a price under section 269TAC(1). In other words, section 269TAC(2)(a)(i) applied in the circumstances.

<sup>35</sup> Ibid, p. 100-101.

<sup>36</sup> Ibid, p. 101-117.

<sup>37</sup> Ibid, p. 101.

*reforms to transition towards greater liberalisation of trade and foreign direct investment inflows and outflows. However, the role of government at all levels in the Chinese economy, controlling trade and foreign direct investment liberalisation for social and economic purposes, has created a hybrid system in China where decisions of the market are heavily influenced by government as opposed to ordinary conditions of competition.*

*Chinese firms selling and purchasing in China's steel markets set prices and make purchasing decisions that are influenced by the directives and policies of the GOC. These conditions are created in part by the prevalence of state-owned enterprises (SOEs) that reflect the economic, social and fiscal goals of the GOC, and impact the conditions of competition and pricing for private firms.*

The Commission identified that the Chinese steel industry operates under an extensive framework of government ownership, strategic planning, and administrative intervention. This framework covers:

- Widespread Government ownership:
  - A significant share of Chinese steel production capacity is held by State-Owned Enterprises (**SOEs**).
  - SOEs operate not on a profit-maximising basis but are influenced by state objectives, such as employment stability, social outcomes, and industrial consolidation.
  - Notably, the exporter then under investigation, MTM, and its parent company Maanshan Iron & Steel Co Ltd (MIS), were both state-owned and embedded within the China Baowu Group, the world's largest steel producer and a central SOE.
- Centralised industrial planning:
  - The steel industry is subject to national and regional planning instruments including the *13th* and *14th Five-Year Plans*, the *Steel Industry Adjustment and Upgrade Plan (2016–2020)*, and the *Made in China 2025* initiative.
  - These plans define strategic goals for capacity, product development, resource allocation, and industrial restructuring – objectives imposed top-down by the GOC rather than arising from market conditions.
- Production and capacity directives:
  - The GOC continues to issue capacity swap rules, production controls, and shutdown mandates.
  - Such mechanisms are not based on supply and demand conditions, but rather on centrally defined output targets and environmental policy goals.
- Intervention in market entry and investment:
  - Steel producers in China are subject to investment approvals and require official sanction to commence or expand operations.
  - The GOC directs mergers and acquisitions in the sector with the intent of reducing fragmentation and consolidating control.

The Commission found that Chinese steel producers benefit from non-commercial financing and subsidised access to key inputs, including:

- Financing and credit distortions:

- Policy banks and state-owned commercial banks provide steel SOEs with loans at below-market interest rates.
  - The GOC has a history of rescuing non-performing loans and providing debt rollovers, undermining financial discipline.
  - These financing practices lower the cost of capital for SOEs and weaken the relevance of profit signals.
- Land and energy subsidies:
    - Steel SOEs obtain land use rights at below-market rates, particularly in state-led industrial zones.
    - Electricity and other utility inputs are often provided at subsidised prices, further suppressing production costs.
- Preferential tax and subsidy treatment:
    - The Commission noted that SOEs receive direct subsidies, R&D grants, VAT rebates, and tax exemptions targeted at upgrading steel production or meeting environmental targets.
    - These incentives were not generally available to private or foreign producers operating in China.

The Commission also found that Chinese steel producers operate under a framework of export policy tools that affect market functioning:

- Export VAT rebates and restrictions:
  - The GOC selectively provides VAT rebates to encourage or discourage exports of specific steel products.
  - Export quotas and licensing requirements have historically been used to manipulate international supply and domestic availability.
- Administrative guidance and industry associations:
  - The GOC, through ministries and local government agencies, issues administrative guidance to producers on output levels, pricing strategies, and compliance with national industrial policy.
  - Industry associations, often led by former government officials, act as intermediaries for disseminating and enforcing government policy within the industry.

The totality of the evidence presented here by the Commission established that the Chinese steel market is not governed by market economy principles. The Commission found that there was no clear separation between state and commercial decision-making in the Chinese steel sector; that input costs, financing conditions, and capacity levels are set or heavily influenced by government directives; and that the behaviour of SOEs and private actors was shaped by the GOC's strategic and non-commercial objectives.

#### *GOC's Role in the Railway Wheels Sector*<sup>38</sup>

The Commission's analysis extended specifically to the railway wheels sector. It concluded that producers of railway wheels, including the exporter under review (Baowu Group Masteel Rail Transit Materials Technology Co Ltd – MTM), operate under the influence of GOC industrial policies. MTM, and its parent entity MIS, are state-owned and strategically aligned with central government objectives concerning rail infrastructure and advanced manufacturing.

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<sup>38</sup> Ibid, p. 117-124.

The Commission also identified that railway wheels are included within China's industrial catalogues for strategic development. As a result, manufacturers benefit from government-endorsed investment programs, technological upgrading subsidies, and inclusion in capacity management schemes. These arrangements further reinforce the conclusion that pricing in the railway wheel sector is not market-determined.

### CON 632 Conclusions<sup>39</sup>

The Commission concluded that Chinese market conditions were distorted. The conclusion was based on the cumulative effect of several government interventions:

- widespread state ownership and intervention in steelmaking and downstream railway wheel production;
- preferential financing, subsidies, and land-use advantages not available to market-based competitors;
- strategic sectoral planning that overrides commercial considerations;
- input cost distortions driven by non-market pricing in the steel sector; and
- inadequate transparency and limited separation between the state and commercial decision-making.

Applied here, and based on the preceding evidence, Comsteel alleges that a PMS exists in the Chinese FRW market.

### **B. Proper comparison of domestic and export prices**

Where a PMS is found, the Commission must also consider whether, because of the situation in the market of the country of export, sales of like goods in that market are not suitable for determining a price under section 269TAC(1).

To make this assessment, the Commission's approach to assessing proper comparison considers the relative effect of the specific situation in the foreign market on both domestic sales and Australian export sales. If there is a finding that the PMS does not equally affect domestic sales and export sales, such a finding may render domestic sales unsuitable for the purposes of section 269TAC(1).

The Commission considers this approach consistent with Australia's obligations under the Anti-Dumping Agreement and the WTO Panel's interpretation of these obligations set out in DS529 (Australian Anti-Dumping Measures on A4 Copy Paper).

Applied to this application, Comsteel submits for the following reasons, that because of the GOC's influence in the Chinese steel industry, sales of FRWs in the Chinese market are not suitable for determining a price under section 269TAC(1):

1. Australian conditions of competition:

a. Market structure:

- i. Australian industry FRWs and imported FRWs supply the Australian market, selling directly to customers;
- ii. the Australian produced goods and the imported goods have similar end uses, meet similar quality specifications and standards, are sold to the same types of customers and compete directly with each

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<sup>39</sup> Ibid, p. 124.

- other in the same markets; and
- iii. demand for FRWs is driven by:
    - a. industrial output and freight volumes;
    - b. fleet expansion and modernisation;
    - c. replacement/maintenance cycles;
    - d. infrastructure and rail investment;
    - e. commodity export trends;
    - f. intermodal and container freight growth;
    - g. regional rail development;
    - h. environmental policies and nodal point shifts; and
    - i. technological upgrades and regulations.

Demand is therefore susceptible to the Australian economic climate, and changes in both government and private investment.

b. Import penetration in the Australian market:

- i. the presence of one Australian FRW producer and several importers with material import volumes indicates that the Australian market for FRWs can be characterised as having a high level of import penetration, contributing to a highly competitive market for the goods between participants.

2. Chinese conditions of competition:

a. Market structure:

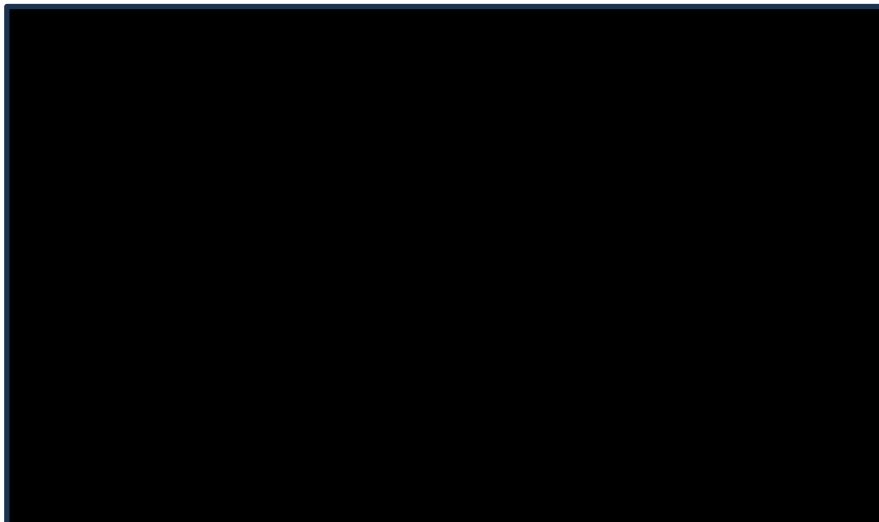
Chinese FRW producers operate under different market conditions to those of the Australian industry by virtue of the prevalence of the GOC in the Chinese steel industry. The PMS in China reduces FRW production and selling risks, and lowers input costs. This then lowers FRW selling prices throughout the Chinese market – these prices reflect the lower marginal cost of the raw materials required for FRWs.

A comparative analysis of Chinese and other market billet prices over the proposed investigation period (and earlier) reveals the full extent of lower Chinese domestic FRW selling prices due to the lower (subsidised) cost of billet raw materials:



**Confidential Chart B-3.1.1:** Monthly steel billet index price comparison<sup>40</sup>

The step-change between the billet price in China and all other indices is significant. Using the MEPS Europe price by way of example, the Chinese billet price is [XX] percent lower over the full comparison period, and can be represented as follows in USD terms:



**Confidential Chart B-3.1.2:** China vs Europe steel billet price difference (incl. all others)<sup>41</sup>

Comsteel highlights with the Commission recent economic analysis and commentary suggesting that the GOC's industrial interventions continue to increase, as industrial policy is seen as vital to reducing China's economic dependence on other countries, while increasing their dependence on China.<sup>42</sup>

In the latest *Steel Outlook 2025* report (**the 2025 report**), the OECD pinpoints excess capacity as having weighed heavily on steel markets in recent years – steel plant utilisation rates are well below the benchmark capacity utilisation rate of 80 percent, and substantial

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<sup>40</sup> Confidential Attachment B-3.

<sup>41</sup> Ibid.

<sup>42</sup> Non-Confidential Attachment 1: *China spends far more than others to help favoured industries, report finds*. The Wall Street Journal, 23 May, 2022.

increases in capacity are planned worldwide in the next several years despite only modest global steel demand growth.<sup>43</sup> The report's focus is heavily weighted towards China.

According to the 2025 report, global steelmaking capacity has grown steadily since 2019, in contrast to the decline in world demand for steel during most of this period, with capacity reaching 2,472 million metric tonnes (**mmt**) in 2024.<sup>44</sup> China maintains the largest of this capacity, currently at 46 percent of the world's total.

In the 2025 report, the OECD reinforce the reality being experienced across steel markets:<sup>45</sup>

*The divergence between capacity and demand growth has led to significant market imbalances, which are putting downward pressure on steel prices and the industry's profitability. Compounding these challenging market conditions is the surge in China's steel exports, which jumped to their highest level of 118.2 mmt in 2024, surpassing their previous peak seen during the global steel crisis of 2015-16. The surge in Chinese exports, stemming from the country's excess capacity and its deteriorating steel demand situation, has created significant problems for steel producers worldwide, depressing their utilisation rates and leading to some plant closures and capacity reductions of otherwise efficient steel production.*

This capacity is expected to grow. Information on announced investment projects indicates that 63.5 mmt of gross capacity additions are currently underway worldwide and are therefore expected to come on stream during the next three-year period (2025-27).<sup>46</sup> A further 101.7 mmt of capacity additions are currently in the planning stage for possible commissioning during the same period.<sup>47</sup>

According to the 2025 report, Asia is projected to see significant increases in steelmaking capacity over the next three years.<sup>48</sup> The region has 29.8 mmt of capacity additions underway for commissioning in 2025-27, with an additional 66.8 mmt in the planning stage.<sup>49</sup> This is alongside China and India, which are projected to account for 80.4 percent of Asia's steelmaking capacity additions over the same period.<sup>50</sup> In other regions, *...steelmaking capacity additions are projected to increase over the next three years as follows: an increase of 4.5 mmt (+9.5%) in Africa; 6.6 mmt (+4.6%) in the CIS and Ukraine; 12.1 mmt (+5.9%) in the European Union; 21.7 mmt (+22.9%) in the Middle East; 12.5 mmt (+7.7%) in North America; and 1.5 mmt (+23.5%) in Oceania.*<sup>51</sup>

The 2025 report also confirms that the steel industry is one of the most subsidised sectors, with this support fuelling excess capacity.<sup>52</sup> Within the industry:<sup>53</sup>

*...larger steel firms have been more subsidised than smaller ones, and state-owned enterprises have received more subsidies than other firms. The People's Republic of China's ("China") subsidisation rate is ten times that of OECD countries. Government*

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<sup>43</sup> Non-Confidential Attachment 2: *OECD Steel Outlook 2025*, 27 May 2025. Chapter 2: *Growing global steel excess capacity threatens the viability of the global steel industry*. Page 24.

<sup>44</sup> *Ibid.*, p. 25.

<sup>45</sup> *Ibid.*

<sup>46</sup> *Ibid.*, p. 27.

<sup>47</sup> *Ibid.*

<sup>48</sup> *Ibid.*, p. 28.

<sup>49</sup> *Ibid.*

<sup>50</sup> *Ibid.*

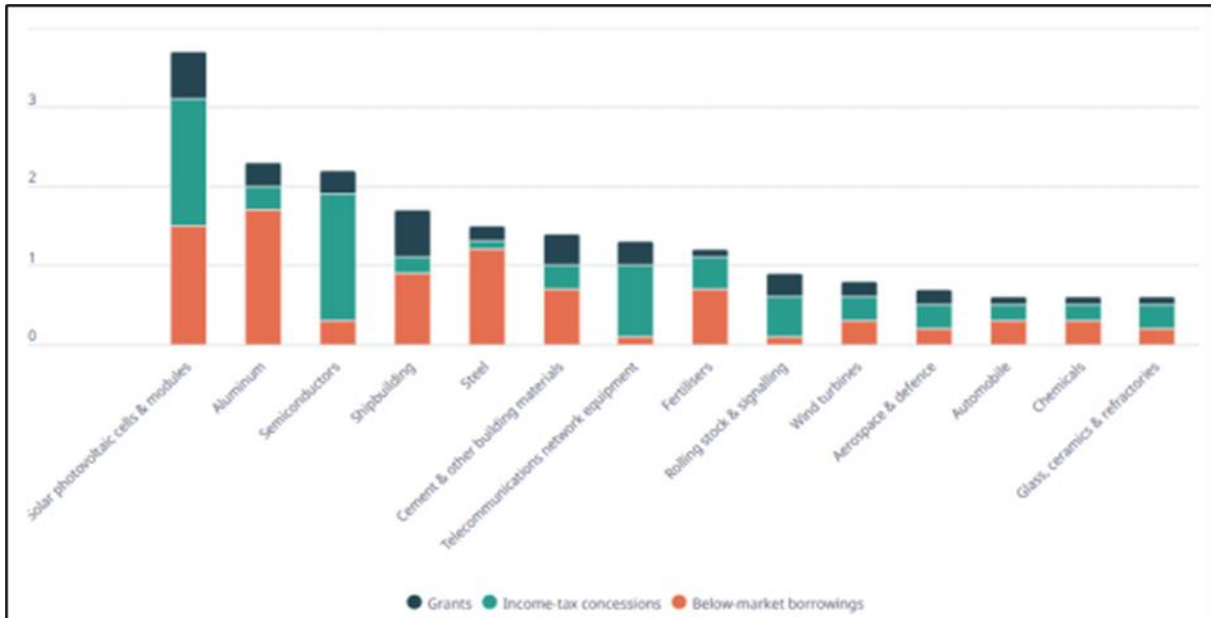
<sup>51</sup> *Ibid.*

<sup>52</sup> *Ibid.*, p. 32.

<sup>53</sup> *Ibid.*

support for the steel sector has become increasingly prominent in regions where steelmaking capacity is rapidly expanding. In addition to government grants and below-market borrowings, measures include subsidised energy prices and preferential tax treatment.

Overall levels of subsidisation are rising significantly, with steel now comparable to other heavy industries historically in receipt of high levels of industrial subsidies:

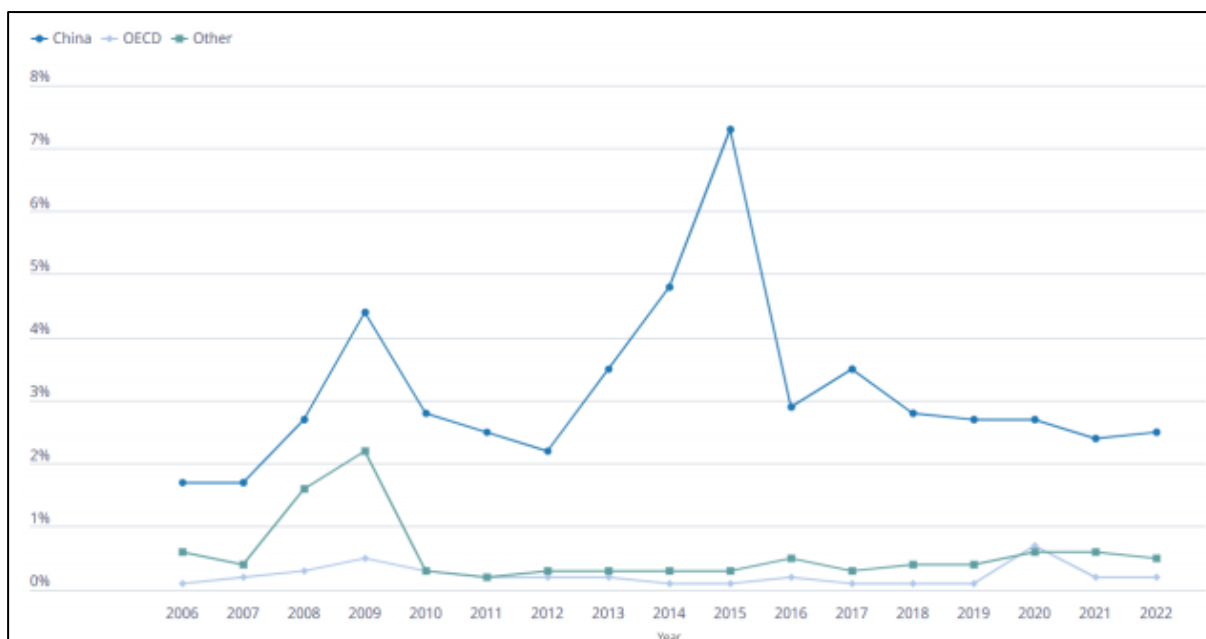


**Non-Confidential Chart B-3.1.3:** Industrial Subsidies by Sector (percentage of annual revenue), 2005 – 2022<sup>54</sup>

According to the OECD, China's steel subsidisation rate is five times higher than the average for other partner economics,<sup>55</sup> which is in turn double the rate of subsidisation of OECD countries:

<sup>54</sup> Ibid.

<sup>55</sup> Partner economics are defined in the 2025 report to mean any group of countries/economies that are not members of the OECD.



**Non-Confidential Chart B-3.1.4:** Steel Subsidisation Rates (percentage of firm revenues), 2006 – 2022 <sup>56</sup>

Areas and regions of rapidly expanding steelmaking capacity attract rapidly expanding levels of government support. Key subsidy types such as grants, below market borrowings, tax concessions, and the provision of steel making raw materials for less than adequate remuneration/market rates are shaping the steel industry, with implications for both domestic markets and the international trade in steel products.<sup>57</sup>

Government support in China is noteworthy - under the current five-year plan (2021-2025), the Chinese government is providing financial incentives and support mechanisms focusing primarily on energy efficiency, emission reduction technologies and the development of advanced materials, aligning with the nation's commitment to slow carbon emissions before 2030, with a view to achieving carbon neutrality by 2060. The government has also increased fiscal, taxation and financial support aimed at driving industrial value growth in the steel industry.

According to the Centre for Strategic and International Studies (CSIS), Beijing's industrial initiatives have become more ambitious in recent years. In a recent study, the CSIS concluded that:<sup>58</sup>

- China's industrial policy spending is enormous, totalling at least 1.73 percent of GDP in 2019. This is equivalent to more than US\$248 billion at nominal exchange rates and US\$407 billion at purchasing power parity exchange rates. This is higher than China's defence spending for 2019, estimated at US\$240 billion.
- China is an outlier; it spends far more on supporting its industries than any other economy. As a share of GDP, China spends over twice as much as South Korea, which is the second-largest relative spender. In dollar terms, China spends more than twice as much as the U.S.

<sup>56</sup> Ibid.

<sup>57</sup> Ibid, p. 37.

<sup>58</sup> Non-Confidential Attachment 3: Red Ink, Estimating Chinese Industrial Policy Spending in Comparative Perspective. Centre for Strategic & International Studies. May 2022. Accessible at <https://www.csis.org/analysis/red-ink-estimating-chinese-industrial-policy-spending-comparative-perspective>

- China's approach to industrial policy is exceptional, as Beijing is sustaining or increasing vertical industrial policy at a level of development when other economies have dialled back. China stands out in terms of both quantifiable spending as well as non-quantifiable policy tools.

In June 2022, The Australian Strategic Policy Institute (**ASPI**) assessed that:<sup>59</sup>

*China's trade surplus hit an extraordinary US\$292 billion in the first five months of the year—more than double its pre-pandemic level—and its aggressive pursuit of export markets is likely to become a flashpoint in a slowing world economy.*

*The Chinese export surge includes Australia, despite Beijing's continuing campaign of illegal trade sanctions against Australian exports.*

*China's exports to Australia over the last reported five months were up 44% from a year ago, while Australia's shipments in the other direction were down 5%, despite soaring commodity prices.*

*There is no hint of a concerted Western response to China's mercantilist strategy, which treats trade surpluses as a manifestation of national power. The World Trade Organization's rules place no restriction on either the preponderance of state-owned enterprises in the Chinese economy or the subsidies China extends to its private sector, which are fuelling its export boom.*

In February 2024, the ASPI further assessed that:<sup>60</sup>

*China's mills shipped 90 million tonnes of steel to export markets last year, a 36% increase from the previous year and the highest since 2016. China's steel exports were equivalent to Japan's total steel production.*

*'The ongoing steel excess capacity crisis is currently escalating,' the OECD said in a review of the industry. The 57 million tonnes of new capacity added last year was the highest in a decade, despite actual sales of steel falling 2.5%. China accounted for just under half the new capacity while Chinese mills are also investing heavily in new capacity in ASEAN nations.*

*'The bleak outlook for steel demand and the increasing relocation of steel capacity from China to other regions create a worrying outlook for the coming years. This is also a major obstacle to achieving steel decarbonisation targets,' the OECD report said.*

Specific to Chinese steel manufacturing, Platts/S&P Global have recently noted that:<sup>61</sup>

*In order to revive China's manufacturing sector that took a blow from the pandemic, the government recently introduced a series of stimulus policies. Among the key measures include financing aid to manufacturers. A reduction in passenger car purchase tax has so far been the most direct and effective policy aiding the manufacturing sector.*

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<sup>59</sup> Non-Confidential Attachment 4: China's relentless export machine. Australian Strategic Policy Institute, The Strategist. 21 June, 2022.

<sup>60</sup> Refer <https://www.aspistrategist.org.au/as-chinas-housing-market-slumps-australias-iron-ore-budget-bonanza-is-unlikely-to-last/>

<sup>61</sup> Confidential Attachment 5: S&P Global Commodity Insights; Platts SBB Steel Markets Daily. *China's manufacturing sector recovery to stay modest, weigh on steel demand.* P. 7.

*China's finance ministry May 31 cut the purchase tax to 5% from 10% for passenger cars of two liters and below, with a price tag under Yuan 300,000/unit (\$45,000/unit). This tax will come into effect June 1 and will run through Dec. 31. According to Cui Dongshu, the secretary of the China Passenger Car Association, the purchase tax cut will boost China's passenger car retail sales by 2 million units over June-December, taking China's total retail sales in 2022 to 21 million units, up 4% on the year.*

China has continued to pose a threat to the global steel industry in 2025, as it continues to focus on export markets with subsidised prices arising from insufficient growth in its own market.<sup>62</sup>

On 23 February 2024, The Office of the United States Trade Representative (**USTR**) released its 2023 Report to the United States Congress on China's WTO Compliance, which details an assessment of China's membership in the World Trade Organisation (**WTO**). It has found that China remains the biggest challenge to the international trading system, and, notwithstanding its WTO membership, it continues to embrace a state-directed, non-market approach to the economy and trade, running counter to the norms and principles embodied by the WTO.<sup>63</sup> In summary:<sup>64</sup>

*As has been previously documented, China has a long record of violating, disregarding and evading existing WTO rules. China has also sought to frustrate WTO oversight and accountability mechanisms, such as through its poor record of adhering to its WTO transparency obligations. In addition, and more critically, after more than two decades of WTO membership, China still embraces a state-led, non-market approach to the economy and trade, despite other WTO Members' expectations – and China's own representations – that China would transform its economy and pursue the open, market oriented approach endorsed by the WTO. In fact, China's embrace of a state-led, non-market approach to the economy and trade has increased rather than decreased over the past decade, and the mercantilism that it generates has harmed and disadvantaged U.S. companies and workers, as well as companies and workers of other WTO Members, often severely.*

*The vast majority of the harm that China inflicts upon other WTO Members is attributable not to China's periodic non-compliance with existing WTO rules, but rather to the daily impact of China's state-led, non-market approach to the economy and trade, which relies heavily on interventions in the market by the Chinese government and, increasingly in recent years, the Chinese Communist Party (CCP or the Party). As is well-documented, the Chinese government and the CCP routinely intervene in the market using a wide array of non-market policies and practices, both to provide artificial competitive advantages to Chinese industries and enterprises and to actively disadvantage foreign industries, enterprises and workers.*

*China's decision to continue pursuing a state-led, non-market approach to the economy and trade after acceding to the WTO takes on significantly added importance because China is the second largest economy in the world and the largest trader among WTO Members. As a result, as time has borne out, the policies and practices that it pursues can have a tremendous impact on bilateral and global trade.*

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<sup>62</sup> Confidential Attachment 6: *China may continue to be a threat to the global steel industry in 2024*: Turkish Steel Producers Association. 3 March 2024.

<sup>63</sup> Non-Confidential Attachment 7: Notice advising of USTR China annual report release.

<sup>64</sup> Non-Confidential Attachment 8: 2023 Report to Congress on China's WTO Compliance, United States Trade Representative, February 2024. Executive Summary (beginning p. 10).

The USTR has found that the non-market policies and practices that China has deployed as it seeks to achieve and maintain the dominance of Chinese industries and enterprises are numerous and extensive. They are also constantly evolving.<sup>65</sup> In relevant part for this application, the USTR have identified the following most common (non-exhaustive) non-market policies and practices:

- adopting and pursuing industrial plans that target specific industries for domination by Chinese enterprises, including by establishing capacity, production and export levels or market share targets;
- directing, pressuring or otherwise acting to ensure that Chinese enterprises adhere to the objectives set forth in the state's industrial plans;
- placing CCP officials in state-owned enterprises and private Chinese enterprises in management positions in order to monitor, direct, pressure or otherwise influence commercial decision making;
- deploying massive and frequently non-transparent subsidies relentlessly in pursuit of industrial plan objectives, including via policy banks, state-owned commercial banks and government investment and guidance funds at all levels of government:
  - transferring risk to the state through loan guarantees and loan rollovers for Chinese enterprises in targeted industries;
  - directing, pressuring or otherwise acting to ensure that Chinese enterprises purchase Chinese-made products over imported products in accordance with the state's industrial plan objectives;
  - directing, pressuring or otherwise acting to ensure that Chinese enterprises invest in and secure access to raw materials outside of China for the sole use of Chinese enterprises producing downstream products in accordance with the state's industrial plan objectives; and
  - creating or maintaining persistent non-market excess capacity in industries through state-owned enterprises and private Chinese enterprises, to the detriment of competing foreign enterprises in the China market and in global markets around the world.

On 10 April 2024, the European Commission (**EC**) released its working document detailing its current views on significant market distortions in China, for the purposes of trade defence investigations.<sup>66</sup> The EC defines significant distortions as *..those which occur when reported prices or costs, including the costs of raw materials and energy, are not the result of free market forces because they are affected by substantial government intervention.*<sup>67</sup> In assessing significant distortions, the EC has regard to one or more of the following elements:<sup>68</sup>

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<sup>65</sup> Ibid.

<sup>66</sup> Non-Confidential Attachment 9: COMMISSION STAFF WORKING DOCUMENT ON SIGNIFICANT DISTORTIONS IN THE ECONOMY OF THE PEOPLE'S REPUBLIC OF CHINA FOR THE PURPOSES OF TRADE DEFENCE INVESTIGATIONS. Brussels, 10.4.2024.

<sup>67</sup> Ibid, p. 2.

<sup>68</sup> Ibid.

- the market in question being served to a significant extent by enterprises which operate under the ownership, control or policy supervision or guidance of the authorities of the exporting country;
- State presence in firms allowing the State to interfere with respect to prices or costs;
- public policies or measures discriminating in favour of domestic suppliers or otherwise influencing free market forces;
- the lack, discriminatory application or inadequate enforcement of bankruptcy, corporate or property laws;
- wage costs being distorted;
- access to finance granted by institutions which implement public policy objectives or otherwise not acting independently of the State.

The EC's assessment examined distortions across three fronts:

1. an examination of the core features of the Chinese economy, including the concept of a 'socialist market economy', the role of the Chinese Communist Party in relation to the economy, the extensive system of plans issued and followed by various levels of government under the leadership of the CCP, the State-owned sector with its numerous state-owned enterprises including the various supervision and control mechanisms, the financial market, the procurement market, and the system of investment screening;<sup>69</sup>
2. a detailed assessment of factors of production on the provision of land, energy, capital, material inputs (e.g. raw materials) and labour in China;<sup>70</sup> and
3. an examination of industry sectors, including steel, aluminium, chemicals, ceramics, telecommunications, semiconductors, railway equipment, environmental goods and new energy vehicles.<sup>71</sup>

Relevant to this application, the EC's steel industry assessment concluded that:

- as a key/pillar industry, the GOC guides the development of the steel sector in accordance with a broad range of policy tools and directives related to market composition and restructuring, raw materials, investment, capacity elimination, product range, relocation, upgrading etc. Through these and other means, the GOC directs and controls virtually every aspect in the development and functioning of the sector.<sup>72</sup>
- over several decades, GOC policies have supported the rise of 'national champions' in the steel industry. To accomplish this, the GOC has employed an elaborate set of financial and other subsidies for the sector and engineered strategic mergers that have consolidated industry players. SOEs are therefore a key instrument through which the government continues to develop the steel

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<sup>69</sup> Ibid, p. 3.

<sup>70</sup> Ibid.

<sup>71</sup> Ibid. The sectors were selected based on a number of criteria, such as their frequent occurrence in the EC's trade defence investigation practice, or for their particular economic or strategic importance.

<sup>72</sup> Ibid, p. 416.

sector, not least by promoting the creation of ever-larger steel producers. This is achieved through policies intended to shape the structure of the steel market, e.g. through mergers and regulation of market access. Furthermore, Chinese financial institutions play a key role in implementing the GOC's policies in the steel sector. They provide access to finance following the GOC's direction and implementing the GOC's policy objectives.<sup>73</sup>

- numerous trade defence investigations in various jurisdictions have confirmed that Chinese steel producers benefit from a wide array of State support measures and other market distortive practices such as export restrictions affecting raw materials and inputs.<sup>74</sup>
- the GOC's control prevents free market forces from prevailing in the Chinese steel sector. The problem of overcapacity is arguably the clearest illustration of the implications of the government's policies and the distortions resulting therefrom. Overcapacity has triggered a surge of low-priced Chinese exports causing a depression of steel prices globally and having a negative impact on, inter alia, the financial situation of steel producers worldwide. While the government has committed to addressing the overcapacity problem, it remains to be seen whether this and other targets for the sector are successfully met, given in particular that (i) during the 14th planning cycle, the declared objectives for the steel sector appear contradictory as far as overcapacity reduction was concerned, and (ii) following China's departure from Global Forum on Steel Excess Capacity, it has become difficult to get accurate information related to the reduction of steel overcapacity in China.<sup>75</sup>

Amongst many others, this economic analysis and commentary highlights the ongoing prevalence and involvement of the GOC in Chinese industry broadly, and the steel industry specifically. Applied here, it is Comsteel's firm position that the GOC influences the domestic market in China for FRWs through the broad range of policies and plans that result in Chinese domestic selling prices for the goods being lower than they otherwise would be.

b. Import penetration in the Chinese market:

Comsteel considers that, given the highly likely large volume of Chinese producers supplying the Chinese market for FRWs, and based on the lower cost of raw material inputs available to those producers, relative to comparable international benchmarks absent a market situation, there would appear to be a competitive disadvantage in respect of the importation of the goods into China.

## Conclusion

Comsteel submits that the GOC has exerted influence on the Chinese steel industry and, as has been determined in previous steel trade remedy cases involving exports from China, the GOC has substantially distorted competitive market conditions in the domestic steel industry in China.

Comsteel contends that the GOC materially influenced conditions in the Chinese steel market during the proposed investigation period, and that prices for FRWs are substantially different to those that would prevail in normal competitive market conditions. It is evident,

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<sup>73</sup> Ibid.

<sup>74</sup> Ibid.

<sup>75</sup> Ibid.

therefore, that a PMS for FRWs exists in the Chinese domestic market.

2. Specify the terms and conditions of the sale, where known.

Comsteel understands that Chinese exporters of FRWs to the Australian market sell at Free-on-Board (FOB) terms.

3. Provide supporting documentary evidence.

Refer Section B-4 of this application below.

4. List the names and contact details of other known sellers of like goods in the domestic market of the exporting country.

Known details to Comsteel are included above at B-1.4.

#### **B-4 Estimate of normal value using another method**

This section is not mandatory. It need only be completed where there is no reliable information available about selling prices in the exporter's domestic market. Other methods of calculating a normal value include:

- the cost to make the exported goods plus the selling and administration costs (as if they were sold in the exporter's domestic market) plus an amount for profit (if applicable);
- OR
- the selling price of like goods from the country of export to a third country.

1. Indicate the normal value of the like goods in the country of export using another method (if applicable, use appendix B2 Constructed Normal Value).

As outlined in Section B-3(1) above, Comsteel considers that domestic Chinese FRW selling prices are artificially low, and conditions exist in that market that render sales of FRWs unsuitable for use in determining normal values under subsection 269TAC(1).

Comsteel has therefore determined normal values for FRWs in China on a constructed selling basis. As detailed in Section B-3(1) above, the costs and selling prices for the subject goods in China are adversely affected by the GOC's interventions in the Chinese iron and steel industry. Comsteel therefore contends that domestic selling prices for FRWs in China are not suitable and are therefore not representative of competitive market costs.

Comsteel has demonstrated that steel making raw material costs in China are the subject of government influence. Therefore, Chinese domestic selling prices for such costs are not appropriate for determining a competitive market cost for FRWs.

In the absence of domestic Chinese selling price information, Comsteel has constructed per metric tonne normal values for FRWs sold in China using the MEPS European Union benchmark<sup>76</sup> for

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<sup>76</sup> In CON 632, the Commission referenced and considered the Turkish MEPS domestic billet price index vis-à-vis normal values. The Commission's assessment provided a series of reasonings on why Turkey was assessed as a representative cost (see REP 632, beginning p. 126 at D1.3, ending at p. 128). In CON 632 the Commission recognised the need to adjust the Turkish benchmark upwards

billet raw material costs (uplifted to reflect the higher grade of billet used in the production of FRWs),<sup>77</sup> plus Comsteel's selling costs, and with an adjustment for Chinese wages.

A level of profit of 5.5 percent has been applied, sourced from the 2024 financial statements of *Baoshan Iron & Steel Co Ltd* (part of the *Baowu Steel Group*). As part of one of the largest state-owned Chinese steel producers, this profit level is considered an appropriate proxy. The *Baowu Steel Group* also maintains an ownership interest in MIS and MTM, being the main Chinese subject entities in CON 632.<sup>78</sup>

2. Provide supporting documentary evidence.

Supporting documentation has been provided at Confidential Attachment B-4.1.

## B-5 Adjustments

A fair comparison must be made between the export price and the normal value. Adjustments should be made for differences in the terms and circumstances of the sales such as the level of trade, physical characteristics, taxes or other factors that affect price comparability.

1. Provide details of any known differences between the export price and the normal value. Include supporting information, including the basis of estimates.

Normal values nominated in this application have been determined at the ex-factory level. Export prices for the goods exported to Australia from China have been determined at the China FOB point.

In CON 632, the Commission made Chinese normal value adjustments for export inland transport, export port handling charges, export credit insurance, export fixing and binding fees, export bank charges, export product liability insurance, and export credit terms.<sup>79</sup> Comsteel anticipates that these same/similar adjustments will also be required in the current instance, but has not reflected these in the dumping margin assessment.

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to account for the premium for the grade of steel used to make iron ore wheels. In CON 632, the Commission calculated MaSteel's dumping margin as 13.3 percent for the FY2023 inquiry period. The Chinese home market price component of the margin calculation was constructed, using MaSteel's costs, SG&A and profit. MaSteel's costs were then compared to the adjusted Turkish benchmark. In CON 632, the Commission calculated that, in 10 of the 12 months of FY2023, the constructed Chinese cost was above the adjusted Turkish benchmark, thus concluding that the China constructed cost was not artificially low. While Comsteel affirms the approach by the Commission to reference an external cost benchmark, Comsteel submits for this application and the possible forthcoming inquiry that the MEPS EU benchmark is a more appropriate market-economy-based cost reference, against which to add the appropriate speciality steel raw material cost adjustments, than that of Turkey. Comsteel submits that the Turkish benchmark is potentially too conservative, as certain aspects of the Commission's reasonings in CON 632 on its selection align more with certain aspects of the Chinese economy (e.g. GDP, labour costs. etc). These comments and the FY2025 dumping margins presented at Confidential Attachment B-4.1 provide Comsteel's prima facie views. Further representations will be made should the Commission decide not to reject this application.

<sup>77</sup> The uplift has been quantified by Comsteel as the approximate market-based difference over the FY2025 period between the higher grade FRW 'cast round' feed cost and standard grade billet.

<sup>78</sup> See REP 632 at p. 119 for ownership details.

<sup>79</sup> Normal value adjustments for MTM at REP 632, p. 53.

2. State the amount of adjustment required for each and apply the adjustments to the domestic prices to calculate normal values. Include supporting information, including the basis of estimates.

The above-noted adjustments have not been included.

## B-6 Dumping margin

1. Subtract the export price from the normal value for each model control code of the goods (after adjusting for any differences affecting price comparability).

Comsteel has calculated quarterly prima facie dumping margins for FRWs exported from China for the 12 months ending June 2025:

*Table B-6.1 – Dumping margins for FRWs steel exported from China*

Quarter	Dumping Margin – A\$/tonne	Dumping Margin – % of export price
Jul. – Sept. 2024	[\$XXX]	34.78%
Oct. – Nov. 2024	[\$XXX]	42.15%
Jan. –Mar. 2025	[\$XXX]	37.50%
Apr. – Jun. 2025	[\$XXX]	21.36%

2. Show dumping margins as a percentage of the export price.

As above.

# PART C

## SUPPLEMENTARY SECTION

### IMPORTANT

Replies to questions in Part C are not mandatory in all instances but may be mandatory for certain applications.

## C-1 Subsidy

This section must be completed where countervailing duties are sought to offset foreign government assistance through subsidies to exporters or producers.

If the application is for countervailing duty alone, the domestic price information required by Part B of the application need not be supplied.

Responses to questions A-9 will need to identify the link between subsidisation and injury.

1. Identify the subsidy paid in the country of export or origin. Provide supporting evidence including details of:
  - (i) the nature and title of the subsidy;
  - (ii) the government agency responsible for administering the subsidy;
  - (iii) the recipients of the subsidy; and
  - (iv) the amount of the subsidy.

### A. Introduction

Chinese FRW producers benefit from substantial subsidies conferred by federal and sub-federal levels of government. The information reasonably available to Comsteel makes clear that most of these subsidies are either specifically provided to, or benefit, producers of the subject goods and have provided countervailable benefits for FRW production.

Comsteel therefore requests that the Commission investigate the subsidisation of subject good producers.

As detailed below, the subsidies conferred on subject goods producers are not negligible or insignificant and exceed the applicable thresholds set forth in the *Customs Act 1901* and Article 27 of the *WTO Agreement on Subsidies and Countervailing Measures (SCM Agreement)*.

Article 11.2 of the WTO SCM Agreement requires an application include sufficient evidence of the existence of a subsidy. This requirement has been considered by previous WTO panels, who have found that the quantity and the quality of the evidence required to meet the threshold of sufficiency of the evidence is 'less than that required to reach a final determination'.<sup>80</sup> However, there must be adequate evidence of the elements of a subsidy.<sup>81</sup>

In providing this requisite level of evidence, the following sources, among others, are relied upon – previous Australian Countervailing Determinations concerning Chinese railway wheels, and WTO documents.

However, subsidy programs described in this section do not cover all actionable benefits conferred by the GOC. Recent insights from the OECD continue to affirm that subsidies (relative to firm revenue) are found to be larger for firms based in China than for those based in other jurisdictions.<sup>82</sup> According to the OECD, most of the subsidies that China-based firms

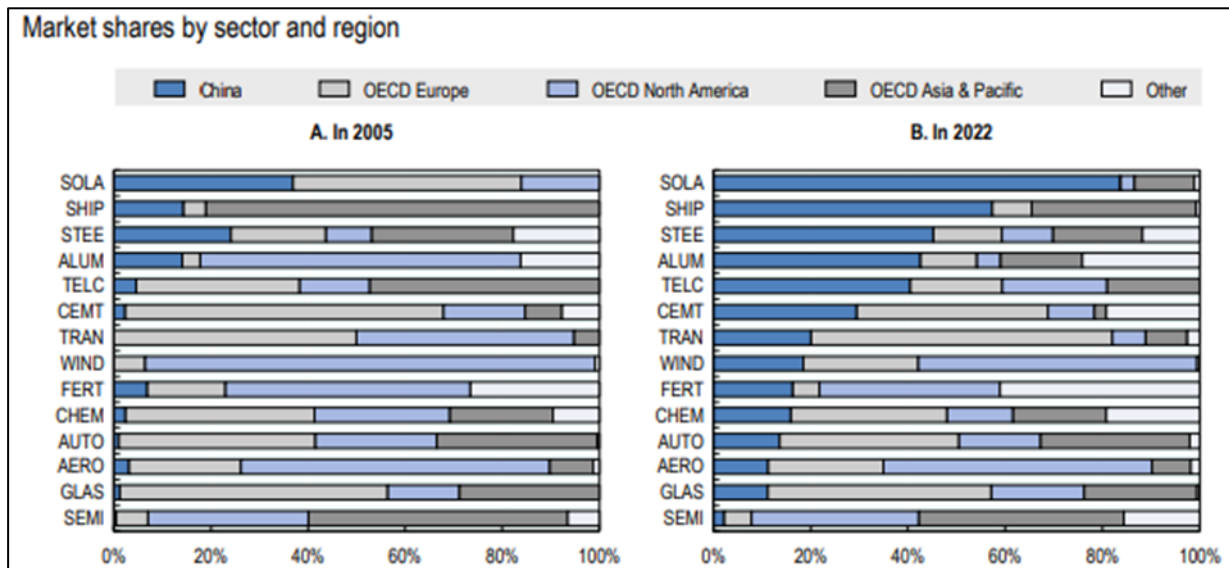
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<sup>80</sup> Panel Report, US – Softwood Lumber V, para. 7.84; Panel Report, China – GOES, para. 7.55.

<sup>81</sup> Panel Report, US – Supercalendered Paper, para. 7.148

<sup>82</sup> Non-Confidential Attachment C-1: *How Governments Back the Largest Manufacturing Firms; Insights from the OECD MAGIC Database*. February 2025, p. 12.

obtain come from Chinese authorities at different levels of government.<sup>83</sup> In steel, this has permitted China to expand its share of the global market since 2005:



**Non-Confidential Tab C-1: OECD Sector and Region Market Share, 2005-2025<sup>84</sup>**

Substantial GOC subsidies at all levels has permitted this expansion. The Commission should therefore seek further information from the GOC, including from state and local governments, as well as from exporters, to determine with greater precision the full extent of specific subsidies conferred on Chinese producers of the subject goods.

### B. Previous Australian Countervailing Determinations concerning China

In Australian trade remedy investigations since 2010, the Commission has determined that a significant proportion of certain Chinese goods imported into Australia have been subsidised. This includes products such steel (and all various product types and derivatives thereof), aluminium, chemicals, paper, electrical cables, etc.

The Commission’s previous investigations indicate that subsidies received by Chinese producers are generally in excess of the Act’s<sup>85</sup> and WTO standard of insignificance. While Comsteel does not know and is not able to determine the actual amounts of subsidies received by Chinese FRW producers and exporters, an amount can be estimated by calculating the difference between the selling price of the subject goods and their cost of production. Any goods sold below their costs of production must be subsidised to a profitable or break-even level otherwise their sale would be economically unfeasible.

In situations where information is reasonably available to Comsteel regarding the amount of subsidy, that information is provided below. In other circumstances, Comsteel has general information about the subsidy programs that should be further investigated to ascertain the level of subsidisation conferred on the export of the subject goods from China.

<sup>83</sup> Ibid, p. 13.

<sup>84</sup> Ibid, p. 21.

<sup>85</sup> References to the Act in this section are references to the *Customs Act 1901*, unless otherwise specified.

### C. Railway Wheel Subsidy Assessments

Comsteel submits that the following are relevant to this application alleging the receipt of countervailable subsidies in the Chinese production and export of FRWs:

- the Commission’s Investigation No. 466 (**INV 466**)<sup>86</sup> assessment of Chinese countervailable subsidies for certain railway wheels;
- the Commission’s subsequent CON 632 assessment of the Chinese market for certain steel railway wheels (including new subsidy research on the Chinese entities identified in CON 632); and
- the Commission’s earlier but related Chinese countervailing investigation into rod-in-coil (**INV 331**).

#### INV 466

By way of application dated 5 March 2018, Comsteel sought the imposition of dumping and countervailing measures on certain railway wheels exported from China. On 18 April 2018, the Commission initiated INV 466,<sup>87</sup> with a CY2017 investigation period and an injury assessment period commencing January 2014.

On the countervailing aspect of the inquiry, and after assessing all relevant information, the Commissioner found that countervailable subsidies had been received in respect of railway wheels exported to Australia from China, under thirty-two countervailable subsidy programs.<sup>88</sup> The Commission was therefore satisfied that countervailable subsidies had been received in respect of the goods exported to Australia from China during the investigation period.<sup>89</sup>

The Commission was also satisfied, however, in relation to the only known exporter of the goods from China during the investigation period, Masteel, that the countervailable subsidies received never exceeded the negligible level of countervailable subsidies under subsection 269TDA(16)(b).<sup>90</sup> The Commission calculated a subsidy margin for Masteel (and by extension uncooperative and all other exporters) of 0.6 percent.<sup>91</sup>

The subsidies investigated and confirmed as countervailable were as follows:<sup>92</sup>

Program No. <sup>93</sup>	Program Name	Program Type
2	Coking coal provided by government at less than adequate remuneration	Provision of goods
48	Technological transformation fund for Phase II Silicon Steel Project	Grants
51	New-zone Thermal Power Plant CAPP system engineering	Grants
62	Fix assets subsidy for thin plate project	Grants

<sup>86</sup> Certain Railway Wheels exported from China (dumping and countervailing), and Certain Railway Wheels exported from France (dumping). The investigation period was 1 January 2017 to 31 December 2017.

<sup>87</sup> Refer ADN 2018/59.

<sup>88</sup> Termination Report No. 466 (**TER 466**), January 2019, p. 8. Available at <https://www.industry.gov.au/sites/default/files/adc/public-record/466-080-report-termination-report-ter-466.pdf>

<sup>89</sup> Ibid.

<sup>90</sup> Ibid.

<sup>91</sup> Ibid, p. 9.

<sup>92</sup> Ibid, at section A1.4 (beginning p. 15).

<sup>93</sup> Program numbers are referenced as the same as those presented at section A1.4 of TER 466.

67	Environmental funds for desulfurisation project of 3rd iron plant's flue gas (BOT)	Grants
74	Subsidy for material modification of high-speed wheel and axle	Grants
83	Subsidy for Maanshan railway industry	Grants
84	Comprehensive utilisation of gas for power generation of a thermal power plant	Grants
88	Others	Grants
89	Environmental subsidy funds for flue gas desulfurisation and 135mW thermal power	Grants
92	Repayment of Administration for Port & Shipping of Ma'anshan	Grants
93	International Market Development Funds from Bureau of Commerce of Ma'anshan received by Overseas Business Department	Grants
94	Import Subsidies Funds from Bureau of Commerce of Ma'anshan received by Overseas Business Department	Grants
95	Overseas Network Construction Funds from Bureau of Commerce of Ma'anshan received by Overseas Business Department	Grants
96	Fourth Quarter Incentive Funds from Bureau of Commerce of Ma'anshan received by Overseas Business Department	Grants
97	Industrial Investment Comprehensive Compensation Funds of 2017 from Economic and Information Commission of Ma'anshan	Grants
98	National Industrial Transformation Financial Subsidy of 2017 (First Major Technical Equipment Insurance Project)	Grants
99	Provincial 115 Industry Innovation Team Funds from Finance Bureau of Ma'anshan	Grants
100	The Second Tranche of Provincial Foreign Trade Policy of 2016 from Business Bureau of Ma'anshan	Grants
101	Industrial Policy Funds of 2017 from Finance Bureau of Ma'anshan	Grants
102	Industrial Policy Funds from Finance Bureau Corporate Section of Ma'anshan	Grants
103	Environmental Assistance from Environmental Protection Bureau of Ma'anshan	Grants
104	Foreign Trade Policy Funds of 2016 from Business Bureau of Ma'anshan	Grants
105	Trade Friction Public Service Fund Subsidies of 2016 from Business Bureau of Ma'anshan	Grants
106	Provincial Foreign Trade Policy Funds of 2016 from Business Bureau of Ma'anshan	Grants
107	Technical Special Fees	Grants
108	Export Credit Subsidy	Grants
109	Annual Transformation Development Financial Aid Fund of 2017	Grants
110	Employees' Distributive Resettlement Expenses for resolving excess capacity	Grants

111	Subsidy for hot-rolled 1580 project	Grants
112	Subsidy for 4# blast furnace project	Grants
52	EMU Steel wheel production line project	Grants

**Non-Confidential Table C-1: INV 466 Countervailable Subsidies**

Applied to this application, Comsteel requests that the Commission consider it highly likely that these programs, and/or others similar, provided countervailable benefits to Chinese FRW producers during the proposed FY2025 investigation period. This position is supported by the Commission's June 2024 CON 632 assessment of the Chinese railway wheels market.

### CON 632

As noted at Part B above, it was not necessary for the Commission to reach a conclusion on the alleged Chinese PMS in CON 632.<sup>94</sup> It nonetheless fully assessed the Chinese railway wheel market at Appendix C (and elsewhere) within the final report, concluding that there exists significant GOC influence in the market for the goods concerned (iron ore railway wheels), including in the forms of:<sup>95 96</sup>

- policies, directives, and direct market intervention to affect company mergers;
- the role and operation of SOEs;
- direct and indirect financial support; and
- taxation arrangements.

The Commission identified a broad and systemic framework of subsidies provided by the GOC, primarily through its control over the steel sector, which supplies the key inputs for railway wheel production. The subsidies included direct cash transfers, and extend to preferential financing, land-use rights, energy subsidies, tax rebates, export incentives, and policy loans.<sup>97</sup>

The Commission also noted that many of these subsidies were available specifically to SOE's and businesses operating in strategic sectors, such as steel, heavy manufacturing, and railway infrastructure components (including wheels).

Comsteel submits that Maasteel exported FRWs to Australia during FY2025, within the larger corporate group that includes Masteel (Group) Holdings Co., Ltd, Maanshan Iron & Steel Co., Ltd (**MIS**) and Baowu Group Masteel Rail Transit Materials Technology Co., Ltd (**MTM**). On these entities, and the overall corporate and ownership structure, the Commission noted the following in REP 632:<sup>98</sup>

*The exporter and manufacturer of the railway wheels during the inquiry period, MTM, is a Chinese SOE. MTM purchased all raw materials (steel billet) to produce the railway wheels from its parent entity, MIS.*

*MIS is a Chinese SOE within Masteel Group, and one of the largest steel producers and sellers in China. MIS primarily sourced raw materials and services from Chinese SOEs, including various related parties within the China Baowu Group.*

<sup>94</sup> REP 632, Appendix C, p. 96.

<sup>95</sup> Ibid, p. 123.

<sup>96</sup> All remaining source references to REP 632 are primarily contained in Appendix C of REP 632, unless otherwise stated.

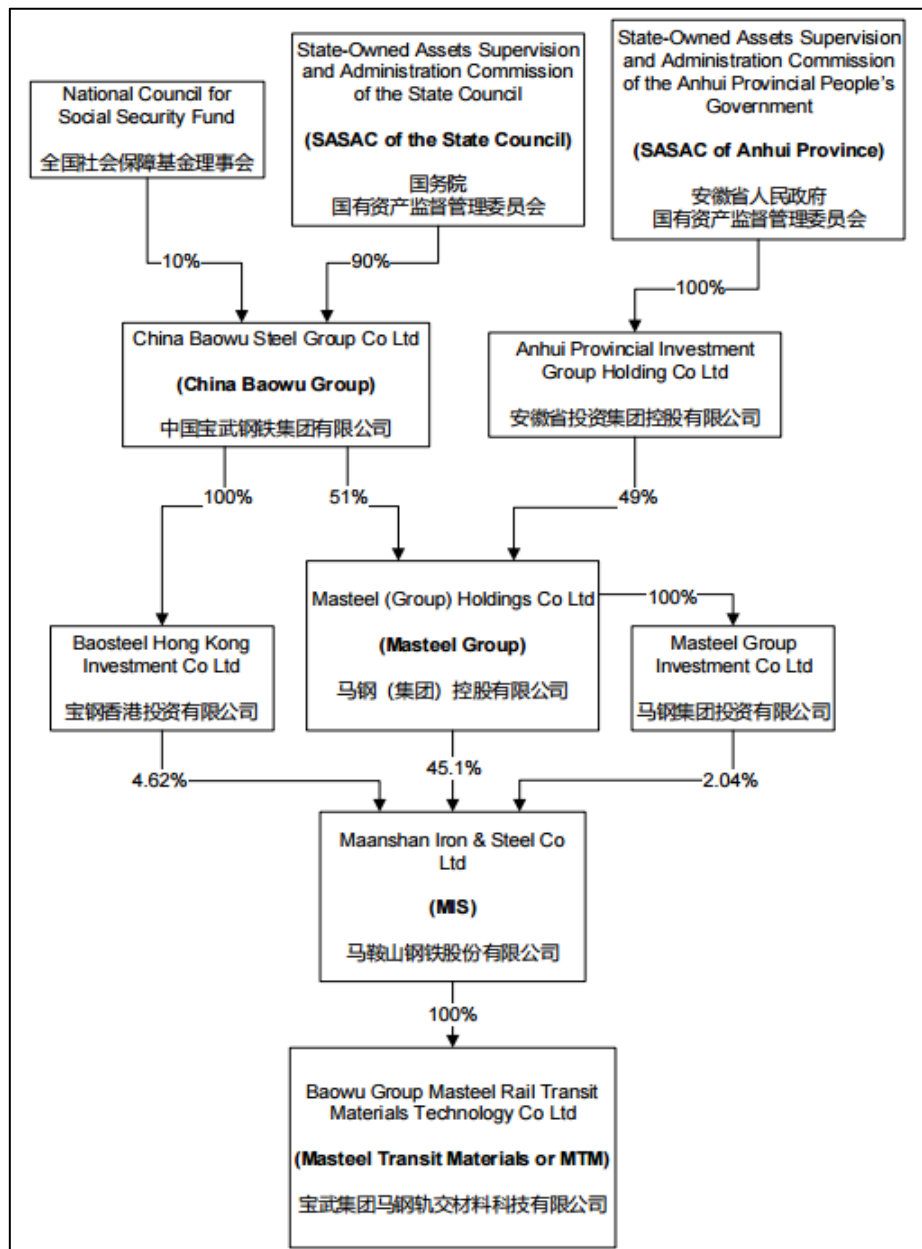
<sup>97</sup> Ibid.

<sup>98</sup> Ibid, p. 117-118.

The China Baowu Group is a state-owned capital investment company controlled and held by the State-owned Assets Supervision and Administration Commission of the State Council. It is mainly engaged in operating state-owned assets within the scope authorized by the State Council, as well as carrying out relevant state-owned capital investment and operation.

The Masteel Group is a state-owned holding enterprise and the controlling shareholder of MIS. It is mainly engaged in mining and sorting of mineral products, construction, manufacturing of construction materials, trading, storage and property management, as well as agriculture and forestry.

In REP 632 the Commission also included the following organisational chart for this group:



Non-Confidential Chart C-3: Corporate ownership structure of MIS and MTM

On the types of subsidies identified, the Commission found that SOE's such as MIS benefited from access to below-market interest rates, longer repayment periods, and non-commercial credit lines issued by state-controlled banks. The Commission observed that the state's role in allocating capital through its policy banks (such as China Development Bank and the Export-Import Bank of China) amounted to a major source of distortion.

Chinese producers also received land either free-of-charge or at rates substantially below market value. The Commission cited this as a key non-monetary subsidy that reduced operating costs. In industrial parks or economic zones, infrastructure such as power, water, and roads were subsidised or provided at preferential rates.

Electricity and gas – critical inputs for steelmaking and forging – were found to be provided to industrial users, especially SOEs, at preferential rates, often cross-subsidised by other consumers. The Commission noted that these energy subsidies lowered the cost of production and enhanced the competitiveness of Chinese railway wheel exporters.

The Commission found that Chinese government agencies provide research and development subsidies, technological upgrading grants, and environmental improvement funds to eligible producers – particularly those involved in advanced rail equipment manufacturing. These grants reduce the capital expenditure burden and promote expansion in targeted sectors.

The Commission also cited the practice of non-performing loan (NPL) rollovers, state bailouts, and debt-to-equity swaps used to prevent the bankruptcy of key producers. Such financial interventions were observed in previous steel industry investigations and presumed to extend to large SOEs such as MIS and/or its affiliates.

In sum, the Commission's analysis concluded that the subsidies assessed distorted domestic input costs for railway wheel production, enable exporters to price products below cost, undermined the reliability of Chinese domestic selling prices as a benchmark for calculating normal values, and supported the existence of a Chinese PMS.

Extending these findings, an assessment of Maasteel's 2024 annual report<sup>99</sup> (covering a reporting period of 1 January 2024 to 31 December 2024)<sup>100</sup> reveals that the organisation benefits from multiple forms of government support, including direct cash grants, preferential tax rates, and targeted funding for R&D, environmental protection, and technological upgrades.

Certain subsidiaries also appear to qualify for reduced corporate tax rates, and several of the subsidies noted appear annually, indicating ongoing state support rather than one-off assistance.

In summary, dissecting the annual reports shows the following:

Type	Annual Report section reference	Details (verbatim or otherwise)
Grants	Page 221	Refunds of withholding social security and personal income tax commissions, and additional VAT credits.
Grants	Page 242	Government grants related to assets and revenues.

<sup>99</sup> Non-Confidential Attachment C-2: Maanshan Iron & Steel Company Limited, 2024 Annual Report. Available at <https://www.magang.com.hk/eng/report.asp>

<sup>100</sup> Ibid, p. 5.

Grants	Page 169	Accounting for Government Grants. Page 9 discloses that government grants of RMB48,287,487 were received during 2024. For 2023, these grants amounted to RMB205,878,311. In 2022, they amounted to RMB167,122,821.
Grants	Page 210	Government grants recognised as Deferred Income.
Taxation	Page 178	<p><i>Pursuant to Article 28 of the Corporate Income Tax Law of the People's Republic of China, corporate income tax (CIT) is levied at a reduced rate of 15% for state-supported key hightech enterprises. In accordance with Article 9 of the Administrative Measures on Accreditation of High-tech Enterprises, the qualification of an accredited high-tech enterprise is valid for three years from the date of issuance of the certificate.</i></p> <p><i>The Company qualified as a high-tech enterprise in 2022, and the applicable income tax rate has been 15% since then and will remain so for 3 years.</i></p> <p><i>Mascometal Co., Ltd., a subsidiary of the Group, was recognised as a high-tech enterprise in 2023. The preferential income tax rate of 15% is applicable in three years from 2023.</i></p> <p><i>Masteel (Hefei) Iron &amp; Steel Co., Ltd., a subsidiary of the Group, was recognized as a hightech enterprise in 2023. The preferential income tax rate of 15% is applicable in three years from 2023.</i></p> <p><i>Anhui Changjiang Steel Co., Ltd., a subsidiary of the Group, was recognized as a high-tech enterprise in 2023. The preferential income tax rate of 15% is applicable in three years from 2023.</i></p>
Taxation	Page 199	Government grants recognised as a deferred tax asset.

**Non-Confidential Table C-4:** A sample of Maasteel subsidies, 2024.

Based on these very recent findings and current evidence of subsidies, it is clear that the Chinese railway wheel industry operates in an environment marked by significant government subsidies, primarily directed at its upstream steel suppliers and broader industrial ecosystem. These subsidies distort the costs of production and prices in the Chinese market, render domestic selling prices unsuitable for normal value determination, and permit the export of FRWs at such low prices as to cause material injury to the Australian FRW producing industry.

## D. China's Subsidy Notification

China's 20 July 2023 notification is its most recent notification to the WTO's Committee on Subsidies and Countervailing Measures. This notification, pursuant to Article XVI:1 of the GATT 1994 and Article 25 of the SCM Agreement, advises the Committee of China's subsidisation policies. However, WTO members have publicly questioned China about the lack of transparency of its subsidy programs, as well as the comprehensiveness of its subsidy notification.<sup>101</sup>

In this notification, China identifies subsidies available at the central and sub-central levels of government which take the form of cash grants, land-use rights, discounted inputs, preferential loans and directed credit, special tax rebates, and VAT and tariff exemptions. Publicly available evidence indicates that these programs may confer countervailable subsidies to producers of the subject goods in China, as they are financial contributions, provide benefits, and are specific.

In particular, Comsteel requests that the Commission investigate whether Chinese FRW producers benefit from the subsidies listed in the Notification.

By this application therefore, Comsteel requests that the Commission commence an investigation into the Chinese subsidisation of FRWs, as applicable to exports to the Australian market.

### C-2. Threat of material injury

You must complete this section if the application includes a claim that material injury is threatened to an Australian industry because of the exportation of goods into the Australian market.

1. Identify the change(s) in circumstances that would make material injury foreseeable and imminent unless dumping or countervailing measures were imposed, for example by having regard to:
  - (i) the rate of increase of dumped/subsidised imports;
  - (ii) changes to the available capacity of the exporter(s);
  - (iii) the prices of imports that will have a significant depressing or suppressing effect on domestic prices and lead to further imports;
  - (iv) inventories of the product to be investigated;
  - (v) for applications claiming subsidisation, the nature of the subsidies in question and the trade effects likely to arise therefrom; or
  - (vi) any other relevant factor(s).
  
2. If appropriate, include an analysis of trends (or a projection of trends) and market conditions illustrating that material injury is both foreseeable and imminent.

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<sup>101</sup> Non-Confidential Attachment C-3: Simon Lester, *WTO Members Discuss Transparency of China's Subsidy Notification*, China Trade Monitor, (December 15, 2021).

### **C-3. Close processed agricultural goods**

Where it is established that the like (processed) goods are closely related to the locally produced (unprocessed) raw agricultural goods, then – for the purposes of injury assessment – the producers of the raw agricultural goods form part of the Australian industry. This section is to be completed only where processed agricultural goods are the subject of the application.

**Applicants are advised to contact the Commission’s client support section before completing this section.**

1. Fully describe the locally produced raw agricultural goods.
2. Provide details showing that the raw agricultural goods are devoted substantially or completely to the processed agricultural goods.
3. Provide details showing that the processed agricultural goods are derived substantially or completely from the raw agricultural goods.
4. Provide information to establish **either**:
  - a close relationship between the price of the raw agricultural goods and the processed agricultural goods; **or**
  - that the cost of the raw agricultural goods is a significant part of the production cost of the processed agricultural goods.

### **C-4. Exports from a non-market economy**

Complete this section only if exports from a non-market economy are covered by the application. The domestic price information required by Part B of the application need not be supplied if this question is answered.

Normal values for non-market economies may be established by reference to selling prices or to costs to make and sell the goods in a comparable market economy country.

1. Provide evidence the country of export is a non-market economy. A non-market economy exists where the government has a monopoly, or a substantial monopoly, of trade in the country of export and determines (or substantially influences) the domestic price of like goods in that country.
2. Nominate a comparable market economy to establish selling prices.
3. Explain the basis for selection of the comparable market economy country.
4. Indicate the selling price (or the cost to make and sell) for each model control code of the goods sold in the comparable market economy country. Provide supporting evidence.

**C-5 Exports from an ‘economy in transition’**

An ‘economy in transition’ exists where the government of the country of export had a monopoly, or substantial monopoly, on the trade of that country (such as per question C-4) and that situation no longer applies.

Complete this section only if exports from an ‘economy in transition’ are covered by the application.

**Applicants are advised to contact the Commission’s client support section before completing this section**

1. Provide information establishing that the country of export is an ‘economy in transition’.
2. A price control situation exists where the price of the goods is controlled or substantially controlled by a government in the country of export. Provide evidence that a price control situation exists in the country of export in respect of like goods.
3. Provide information (reasonably available to you) that raw material inputs used in manufacturing/producing the exported goods are supplied by an enterprise wholly owned by a government, at any level, of the country of export.
4. Estimate a ‘normal value’ for the goods in the country of export for comparison with export price. Provide evidence to support your estimate.

**C-6 Aggregation of Volumes of dumped goods**

Only answer this question if required by question B-1.5 of the application and action is sought against countries that individually account for less than 3% of total imports from all countries (or 4% in the case of subsidised goods from developing countries). To be included in an investigation, they must collectively account for more than 7% of the total (or 9% in the case of subsidised goods from developing countries).

	Quantity	%	Value	%
All imports into Australia		100%		100%
Country A*				
Country B*				
etc*				
<b>Total</b>				

\* Only include countries that account for less than 3% of all imports (or 4% in the case of subsidised goods from developing countries). Use the data at Appendix A.2 (Australian Market) to complete the table.

## APPENDICES

Appendix A1	Australian Production
Appendix A2	Australian Market
Appendix A3	Sales Turnover
Appendix A4	Domestic Sales
Appendix A5	Sales of Other Production
Appendix A6.1	Cost to Make and Sell (& profit) Domestic Sales
Appendix A6.2	Cost to Make and Sell (& profit) Export Sales
Appendix A7	Other Injury Factors
Appendix A8	Authority to Deal With Representative