

**Jettransit PTY LTD**

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28 Nov 2025

The Director  
Investigations 4  
GPO Box 2013  
Canberra ACT 2601  
Australia

## **ANTI-DUMPING NOTICE NO. 2025/110 – Investigation No.690**

Dear Director

### **Investigation No 690 concerning Freight Railway Wheels (FRW) from China**

Further to our previous submission and in relation to Comsteel's request for provisional measures dated the 17 November 2025, Jettransit provides the following submission to Commission.

Comsteel's submission focuses heavily on the behaviours and factors that influence SOE and GOC, in particular Baowu Group Masteel Rail Transit Materials Technology Co., Ltd. (Masteel). However, casting this as the uniform market condition in China is wrong. It is therefore prudent that the Commission in its deliberation also consider other non-government owned or controlled manufacturers in China that operate on normal market principles.

Jettransit imports FRW's manufactured by BHR into Australia. BHR is a 100% privately owned Chinese company that is driven by profit maximising and does not and would not enjoy the same support mechanisms afforded to SOE. It follows that the Commission must recognise this and not cast such privately owned enterprises in the same light.

The application of an arbitrary tariff across all FRW imports would indeed impose an unfair barrier on those manufacturers that do not partake in dumping practices and would be in contravention principles to **not to restrict trade arbitrarily**, but to **remedy unfair trade practices** that cause material injury to domestic industry.

Jettransit understands that Australian and WTO Act's and agreements governing Anti-Dumping include frameworks to ensure that Anti-Dumping measures are **remedial, not protectionist**, and aim to restore fair competition rather than restrict legitimate trade.

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Jettransit's submission is not against the imposition of tariff in genuine cases of dumping but to seek a decision that is nuanced to avoid punitive effects on Chinese companies that have not engaged in dumping practices.

The suggested period of investigation ending July 2025 steers the commission away from the present-day market where new competitors such as Jettransit and BHR have entered into the Australian FRW market.

BHR has very different characteristics to those SOE considered in the past.

Jettransit is an Australian owned and operated company which has based its own future viability on selection of BHR as a partner and understand the differences would include:

- No Chinese Government or Chinese Steel makers have ownership in BHR
- BHR purchases steel ingots in normal commercially competitive market.
- BHR has the most modern and most efficient wheel manufacturing plant reducing the cost of waste and energy consumption in normal business operation.

Jettransit believes that findings from previous Anti-Dumping investigations on specific Micro Alloy steel freight wheels for a unique iron ore haulage market, should not be taken automatically as precedents for the entire market of general steel FRW's. Further, efficiency reforms in the Chinese steel makers and changes in the market dynamics made since the previous investigation also weaken the validity of those findings to be used as precedents in this current case.

Comsteel's assertion that Masteel operated at a loss, and by inference the whole Chinese wheel manufacturing industry is operating at a loss, is misleading. In Masteel's 2024 annual report in Section III (4) 3. Operational Information Analysis of the Industry states that the Wheels and Axle Business line is operating at a profit.

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*Analysis of operational information of the steel industry*

1. Manufacturing and Sales of Steel Products Based on Processing Techniques

*Unit: million RMB*

Types	Production volume (tonnes)		Sales volume (tonnes)		Revenue		Cost of sales		Gross margin(%)	
	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year	This Year	Last Year
	Cold-rolled steel	5,708,532	5,575,895	5,684,008	5,564,909	24,758	24,881	24,135	24,149	2.52
Hot-rolled steel	12,397,084	14,758,995	12,366,174	14,750,939	45,705	61,222	47,487	61,309	-3.90	-0.14
Wheel and axles	258,399	280,398	249,788	280,181	2,825	3,272	2,349	2,811	16.85	14.08

Further in Section III (7) Analysis of the Group’s Major Subsidiaries and Investees, it states;

*“Baowu Group Masteel Rail Transit Materials Technology Co., Ltd. has a registered capital of RMB600 million and is directly held as to 70.19% by the Company. It is principally engaged in the design, research and development, manufacturing, maintenance and sales of rail wheels, axles, wheel sets, bogies and other rail equipment. The net profit for the Reporting Period amounted to RMB343 million. At the end of the Reporting Period, the total assets amounted to RMB4,367 million, and net assets amounted to RMB3,091 million”*

With respect to “GOC’s Role in the Railway Wheels Sector” Jettransit’s understanding is that the Chinese government strategic development goals are directed at the high speed (400kmph) wheel for passenger trains. This is a well-known objective for the Chinese rail industry. The technology for freight wheels is well established and would not directly benefit from any government research subsidy.

With respect to VAT rebates. Rebates for VAT are permitted under WTO rules so long as the amount of the rebate does not exceed the actual VAT applied. Therefore, are not a contribution to dumping practices, rather are part of accepted internal trade practice.

In conclusion. Jettransit, as a wholly Australian owned company is supportive of appropriate antidumping measures to protect Australian industries. However, with the entry of new privately owned, highly efficient manufacturers of FRW’s into the Australian market and the availability of and access to new information, the Commission should not make any preliminary or final determination based on historical findings without further investigating and considering the market as it exists today and into the immediate future. In any case, any determination by the Commission must also balance the impact on other Australian rail industry business

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that will ultimately bear the burden of any tariff regime that is imposed. Any determination must differentiate between companies such as BHR and Jettransit that in fair trade and those who do not.

Jettransit and BHR would welcome and would be open to participate in a new detailed investigation under INV690, to determine if any changed anti-dumping measures are appropriate.

For and on behalf of Jettransit.

Peter Hong Ning

Chief Executive Officer

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