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Non-Confidential

Submission by the China Chamber of Commerce for Import and Export of Machinery and Electronic Products (CCCME)

To: Anti-Dumping Commission, Department of Industry, Science and Resources, Australia

From: China Chamber of Commerce for Import and Export of Machinery and Electronic Products (CCCME)

Subject: Comments on Injury and Causation Analysis in the Australian Anti-Dumping and Countervailing Investigations of Freight Railway Wheels (FRW) from China

Date: 1 December 2025

This submission presents CCCME's views regarding the injury and causation analysis in Australia's anti-dumping and countervailing investigations into freight railway wheels (FRW) imported from the People's Republic of China (Initiation of Investigation No 690 into alleged dumping and subsidization).

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I. Flaws in Confidentiality Treatment of the Application Result in Inadequacy and Insufficiency of its Public Version

（i）Applicable Legal Requirements

According to Articles 6.5 and 6.5.1 of the WTO Anti-Dumping Agreement (ADA), an investigating authority may accept a party's confidentiality request when there is "good cause", provided that: "[T]he authorities shall require interested parties providing confidential information to furnish non-confidential summaries thereof. These summaries shall be in sufficient detail to permit a reasonable understanding of the substance of the information submitted in confidence. In exceptional circumstances, such parties may indicate that such information is not susceptible of summary. In such exceptional circumstances, a statement of the reasons why summarization is not possible must be provided".

The Australian Customs Act 1901 (Part XVB) and the Commission's own practice are consistent with these standards. Under Part XVB, a party submitting information to the Commissioner with a claim of confidentiality "should, if practicable, provide a summary of that information", and if the party claims it cannot, it must explain why not. The summary provided "must…contain sufficient detail to allow a reasonable understanding of the substance of the information". If the confidentiality claim does not meet the legal requirements, the Commissioner may not rely on that information.

Thus, under both the WTO ADA and Australian rules, both "confidentiality" and "understandability" must be satisfied. A party may request to obscure specific sensitive numbers, customer names or other business details, but it cannot substitute everything with simple blacking-out or "[XX]/[XXX]" so as to leave other interested parties completely unable to appreciate the approximate trends, magnitudes or directions of change in the information.

（ii）Flaws in Confidentiality Treatment in the Public Version of the Application

In this case, the Comsteel's public version of the application (Form B108) presents a large volume of key data and analysis by simply replacing numbers with "[XX]" or "[XXX]", or by

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labeling entire charts as "Confidential chart", without providing any substantive non-confidential summary. Such practice fails to meet the ADA Article 6.5.1 and Customs Act Part XVB requirement of enabling interested parties to form a reasonable understanding of the relevant information. The CCCME submits that this practice has severely undermined the ability of interested parties, including Chinese exporters, importers, and the Chinese government, to defend their interests. The specific problems include:

a) Large amounts of annual data in injury indicator tables are improperly kept confidential, with no comprehensible non-confidential summary

In the sections of the application dealing with injury indicators such as production, sales, market share, revenue, profit, asset value, and R&D expenditure, Comsteel has generally kept only a one-year base index. And all subsequent years' data have been replaced with "[XX]/[XXX]" or fully confidential charts in the public version, without providing any non-confidential information that reflects trends or approximate magnitudes.

For example, in Section 10.3 ("Imports and market share") and Section 10.5 ("Other economic factors") of the analysis, the application repeatedly cites charts labeled "Confidential chart A-10.1", "Confidential chart A-10.2", "Confidential chart A-10.5.2–A-10.5.4", etc. (see pp. 28–31). In the public version, these charts are presented entirely as "Confidential chart" with no visible axes or index explanations. What's more, the corresponding text of the above-mentioned graphs is filled with placeholders like "[XX] percent" or "[XXX]" (for example, on page 30 the statements "the total FRW market is estimated to have declined by [XX] per cent" and "the loss of sales volume for the Australian industry is [XX] per cent"). Such excessive grant of confidentiality to the public-version application completely fails to show whether each indicator is increasing or decreasing and by how much.

Against this backdrop, interested parties cannot tell whether these injury indicators have only slightly fluctuated or have greatly worsened, and thus cannot assess whether the injury is "significant" in degree, and accordingly also cannot use the public data to perform any reverse calculations or build their own economic models. By contrast, in the same application, Table A-10.5.1 on page 28 ("Index of other factors for Comsteel's FRW business") provides a public index (with FY2022 = 100 as base) showing output, cost, price and revenue indices for

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FY2022–FY2025. This demonstrates that it was technically feasible to present sensitive data in non-confidential index form. Hence, Comsteel's choice to render many other key indicators completely confidential is inexplicable.

Therefore, the CCCME submits that Comsteel's confidentiality measures for the injury indicators go far beyond what is reasonably necessary, and it has not fulfilled the obligation to provide non-confidential summaries. Under this approach, interested parties cannot judge whether the indicators are slightly or severely changed, and therefore cannot evaluate the extent of any "material injury". Nor can they use the public data to verify or model the results themselves.

b) Almost all quantitative information on total market demand, import volumes and market shares has been kept confidential, making it impossible to verify any "import surge" claim.

Changes in import quantities and market shares are among the most basic objective parameters in injury and causation analysis. However, in the public version of the application, nearly all quantitative information related to Australia's total FRW consumption, the volume of imports from China, and their market share has been treated as confidential. For example, in Section 10.3 ("Imports and market share"), Comsteel repeatedly directs readers to "see appendix A-2 (confidential)" or "refer to confidential chart A-10.3.1 / A-10.3.2" for key data (see pp. 29–31), leaving only very abstract text like "imports from China increased their market share" or "the Australian industry lost market share to Chinese imports", but no non-confidential indication of magnitude (such as an index or an approximate percentage range like "10–20%" or "20–30%").

On page 30, Comsteel even replaced all core descriptions of market size changes and sales loss magnitudes with "[XX]", for example, "the total FRW market is estimated to have declined by [XX] per cent over the injury period," and "the loss of sales volume for the Australian industry is estimated at [XX] per cent of the FRW market", with no non-confidential summary. Consequently, interested parties cannot determine whether the so-called "import surge" or "significant shift in market share" quantitatively means a change of 5%, 15% or 50%. They cannot separate how much of Comsteel's sales decline is due to overall market contraction

versus how much is truly caused by import substitution.

Moreover, in the appendices and charts, the time-series data for total FRW market volume, imports, and market share are entirely placed in confidential appendices and charts. The public version provides no trend lines or index tables that show even approximate changes in the total volume or structure.

Under these circumstances, interested parties cannot determine whether the total FRW market over the injury period slightly contracted or dramatically shrank, nor can they tell whether the alleged increase in Chinese imports' market share is only a few percentage points or a much larger shift. They certainly cannot distinguish how much of Comsteel's volume decline is due to actual demand shrinkage versus import substitution.

Based on the above, the CCCME submits that, import quantities and import market shares are the most fundamental objective parameters in any injury/causation analysis, and in principle should not be entirely confidential. At a minimum, the applicant should provide 100-based indices, percentage change ranges, or approximate qualitative ranges (e.g., "about X–Y%") to allow interested parties a basic understanding of the alleged "import surge". Comsteel's current approach — replacing all quantitative information with "[XX] per cent" or "[XXX]" — effectively leaves the sections on import volumes and shares blank. This clearly does not meet the requirement of disclosure "sufficient to permit a reasonable understanding".

The CCCME therefore requests that the Commission require the applicant to supplement the public version with indices or percentage ranges for total FRW consumption, imports from China, and their market share. For parts where the applicant cannot provide any meaningful non-confidential summary, the evidential weight of those parts in the injury and causation analysis should be reduced or not accepted.

c) The quantitative analysis of price undercutting, price depression, and price suppression lacks any comprehensible non-confidential parameters

Price effects are a core element of injury analysis. Although Comsteel repeatedly claims the presence of "undercutting", "price depressing" and "price suppressing", its public application provides no non-confidential quantitative information that would enable interested parties to

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understand the magnitude, duration or scope of these effects.

In Section 10.4 (“Effects on prices”, pp. 33–35), the application heavily cites “Confidential chart A-10.4.1”, “Confidential chart A-10.4.2”, “Confidential chart A-10.4.3” for price comparison trends, and on page 35 shows “Confidential chart A-10.5.3: Index of price depression for Comsteel’s FRW business” and “Confidential chart A-10.5.4: Index of price suppression for Comsteel’s FRW business”. However, in the public version these charts are entirely confidential: the charts are blank or show only titles like “Confidential chart A-10.4.x / A-10.5.x”, with no visible axes, price indices or any trend lines of price–cost differences. In other words, the public version reveals none of the actual data that would illustrate Comsteel’s alleged “undercutting”, “depression”, or “suppression” in pricing.

Correspondingly, the accompanying text is highly vague. Section 10.4 contains only general statements such as “imports have undercut domestic prices” and “Comsteel has experienced price depression and price suppression over the period”, along with references to “see Confidential chart A-10.4.x / A-10.5.x” to support these conclusions. Nowhere in the public version is there even a single non-confidential quantitative summary. For example, the applicant does not indicate whether “for comparable models, Chinese import prices were on average about 0–5%, 5–10% or 10–20% lower than Comsteel’s prices”. It also does not clarify whether “undercutting” is a phenomenon present throughout the entire injury period, or only in individual years, customers or bids. Likewise, there is no explanation of basic quantitative measures, such as “over the period, by approximately how many percentage points did domestic price increases lag behind unit cost increases”, or “at what point did the price–cost margin turn negative”. Even in the methodological description on page 33, Comsteel only abstractly notes that “one indicator of price suppression is the margin between revenues and costs”, and then places all specific data and index curves reflecting revenue–cost margins into the confidential charts A-10.5.3 and A-10.5.4. The public version provides neither the corresponding index data nor any range (e.g., “approximately X–Y percentage points”) of values.

Under ADA Article 6.5.1 and established Commission practice (as in the *Dumping & Subsidy Manual*), even if absolute prices and costs must remain confidential, a party should at least use indices or percentage ranges to summarize price differences and trends. For example,

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they could give annual indices for domestic price, import price and unit cost (with 100 as base year), or describe undercutting in 0–5%, 5–10%, etc. ranges, or note that "in the vast majority of years, the domestic price increase was about X–Y percentage points below the cost increase". By contrast, the public application here takes none of these approaches. Instead, it replaces all comparisons with blank charts and "[XX]" markers, leaving interested parties completely unable to judge whether the alleged "price undercutting/depression/suppression" is minor and short-lived or persistent and significant, or to assess whether price effects could constitute a material source of injury. In these circumstances of severe information incompleteness, it is unreasonable to expect other parties to submit substantive comments on price effects. This clearly conflicts with the ADA and Australian law requirements of "reasonable understanding", "full opportunity to present evidence", and "fair procedure".

The CCCME submits that Comsteel's confidentiality treatment of price effects data goes beyond what is necessary for "information which is by its nature confidential or which was provided in confidence", and it has failed to provide the non-confidential summaries needed to form a reasonable understanding. This constitutes a substantial limitation of interested parties' procedural rights. The CCCME requests that the Commission require the applicant to supplement Section 10.4 and the related "Confidential charts A-10.4.x / A-10.5.3 / A-10.5.4" with at least index values or percentage ranges that disclose the rough trends of price differences and price–cost relationships. Until the applicant completes these corrections, the Commission should refrain from affirmatively finding "undercutting", "price depression" or "price suppression" based on the current highly confidential material, and should accordingly reduce the evidentiary weight of the confidential material in evaluating price effects and injury, to avoid making adverse conclusions without a basis that can be publicly reviewed.

d) The analysis of certain customers, case of lost sales and loss of revenue are replaced by generic "confidential chart/appendix" citations, with no substantive narrative summary.

In the sections concerning specific customer procurement behaviors, lost contract cases, and lost revenue calculations, the public application frequently cites "confidential case study," "confidential appendix A-XX," etc., without providing any meaningful summary in the public

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text. For example, in Section 10.3's discussion of "lost sales and lost revenue", many passages simply state "see confidential appendix A-10.3.x for details" or "confidential case study of customer switching to Chinese supplier", without indicating in the public version any general summary of the analysis. There is no indication, for instance, of the approximate proportion of the relevant customers' procurement volumes that declined during the injury period (e.g. whether their purchases fell by 10–20% or 30–40%); no indication of the relative weight of the lost contracts or negotiations within Comsteel's total sales; no indication of what share the lost revenue has in Comsteel's overall revenue.

In the absence of these elements, interested parties cannot determine whether these "case studies" are representative, nor can they assess whether the claimed "lost sales/lost revenue" occur only in a few instances or are systematic. Replacing entire paragraphs of analysis with just "confidential case study/appendix" clearly falls short of the standard for a "non-confidential summary", making it difficult for the CCCME to submit any targeted substantive comments or challenges regarding the purported large volume of "lost orders and lost revenue" .

e) The applicant has not provided sufficient justification for the widespread confidentiality, making it impossible to review whether it meets the confidentiality standards.

Under Part XVB of the *Customs Act 1901, specifically under Section 269ZJ(2) & (3),* and the Commission's record submission guidance, a party seeking confidentiality should explain why the information is commercially sensitive, what specific harm disclosure would cause, and whether a non-confidential summary is feasible. However, in the public application, Comsteel has provided no structured explanation for the vast swaths of data marked "[XX]" or replaced by "Confidential chart/appendix." For example, on page 30 the overall market decline and industry sales loss percentages are marked "[XX]" without any explanation of why even these aggregated percentages must remain completely confidential. Similarly on pages 33–35, the magnitudes of price undercutting and price depression/suppression are marked confidential with no rationale given. All these aggregated figures and indices are already summaries; whether they truly meet the ADA Article 6.5 test of "confidential by nature or by reason of the way it was submitted" is highly questionable.

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In the absence of sufficient justification, neither the Commission nor other parties can assess the appropriateness of these confidentiality claims, nor can they determine if Comsteel is abusing confidentiality to mask weak points in its case.

（iii）Actual Adverse Impact on Procedural and Substantive Rights

The above confidentiality practices have severely undermined the rights of interested parties (including Chinese exporters, importers, and the Chinese government) to defend their interests. On one hand, a great deal of core quantitative information – concerning import volumes, market size, market shares, price differences, cost and profit trends, lost revenues, etc. – has been rendered completely confidential. As a result, interested parties are prevented from conducting any meaningful verification or rebuttal of the applicant's injury and causation claims. On the other hand, because indices, ranges or trend explanations are missing, parties cannot use the public material to determine whether the legal requirements of "material injury" and "injury caused by dumping" are satisfied, and are forced to contest the case under conditions of severe information asymmetry. This clearly contravenes the ADA Article 6 requirement of providing "the opportunity for all interested parties to present evidence and arguments" and the fundamental principle of fair procedure.

If the Commission were to continue relying on the current public version of the application (with its deficiencies) as a key basis for injury and causation findings, and proceed to preliminary or final determination, it would fail to adequately protect interested parties' rights to defense and information, resulting in procedural flaws.

Given the above legal framework and the specifics of this case, the CCCME submits that for any portions of the application where the applicant insists on complete confidentiality without showing why a non-confidential index or range cannot be provided, the Commission should lawfully diminish the evidentiary weight of those portions in the injury and causation analysis, and if necessary, not accept the related material. This approach is consistent with the spirit of ADA Article 6.5.1 that confidentiality exceptions should be interpreted narrowly, and with the Commission's practice of preventing abuse of confidentiality. Furthermore, the CCCME believes that until the applicant corrects the public application by providing sufficient

summaries that allow interested parties to form a reasonable understanding of key facts and trends, the Commission should exercise caution in relying solely on the currently highly confidential material for any substantive findings on injury severity or causation.

II. The Defined Product Scope Is Overly Broad and the MCC Classification Is Insufficiently Granular to Ensure Price Comparability and Accuracy in Injury Determination

（i） Relationship Between Product Scope and Price Comparability

Under Articles 3.1 and 3.2 of the ADA and WTO jurisprudence, the analysis of price effects in injury determination must be based on "like products", and the authority has an obligation to ensure that the basis of comparison (subject imports vs. domestic products) is reasonably comparable. The WTO Appellate Body has emphasized that "if subject import and domestic prices were not comparable, this would defeat the explanatory force that subject import prices might have … for the depression or suppression of domestic prices".[1] Similarly, a panel has found that analyzing price effects without separately analyzing different product types (e.g. three types of stainless steel products) is inconsistent with Articles 3.1 and 3.2. [2]The panel stressed that failing to distinguish between product types risks reflecting only changes in product mix rather than the actual suppressive effect of imports on domestic prices.[3]

（ii） The Investigated Product Definition Has Fuzzy Boundaries and Risk of Over-Inclusion

In this case, the product under investigation is defined as "freight railway wheels (FRW) of forged and rolled high-carbon steel, with or without micro-alloys; with an outside diameter of 27.5–37.5 inches (699–953 mm); capable of withstanding up to 36 metric tons axle load; used on freight railway vehicles", explicitly excluding axles and other train components. On its face, this definition appears confined to the common freight wheels used in Australia's rail system, aligning with Comsteel's core products and not obviously overly broad. However, from a

[1] Apellate Body Report of China — GOES , WT/DS414/AB/R, paras. 200–201.
[2] Panel Report, China – Anti-Dumping Measures on Stainless Steel Products from Japan, WT/DS601/R, para. 7.163.
[3] Panel Report, China – Anti-Dumping Measures on Stainless Steel Products from Japan, WT/DS601/R, para. 7.173.

technical and market perspective, this definition still raises concerns about fuzzy boundaries and potential over-inclusion.

First, different rail systems in Australia (interstate mainlines, mine-site railways, industrial lines, etc.) have significant differences in gauge, operating environment, load requirements, allowable wear, expected service life, and so on. Major users typically have differentiated wheel specifications tailored to their conditions. Some wheel models might fall within the 699–953 mm diameter range by size, but their performance grade, safety margins, rim geometry, metallurgical quality control requirements, etc. could be fundamentally different from standard freight wheels.

Second, the designation "freight" railway wheels (FRW) can have some flexibility in practice. Certain track inspection vehicles, maintenance-of-way vehicles, or specialized industrial vehicles (e.g. maintenance trains, track work platforms) use wheels whose dimensions are similar to those of freight wheels, but their usage frequency, load conditions, braking systems and maintenance strategies are entirely different from mainstream ore train wheels. Their market characteristics and technical specifications should not be considered fully comparable.

The application does not clarify whether Comsteel even has the capability to produce these "non-mainstream freight wheel models", nor does it present any records of actual supply in those niche applications. In this situation, if all wheels of 699–953 mm diameter are included in the scope, inevitably products that are not in direct competition with Comsteel could be lumped into the "like products" pool. This would distort the basis for assessing import volumes, market shares and price effects.

The investigating authority, in defining the product scope and in the subsequent Model Control Code (MCC) classification, should take into account differences in use, performance, technical standards and customer requirements, and identify and exclude any wheel models that are clearly for specialized uses or not in direct competition, rather than simply including all sizes based on dimensions. In addition, the MCC classification should be based on the FRW actually exported to Australia from China so that all FRW not being 'like goods' to those

exported to Australia, that is not identical to those exported to Australia or, if not identical, possessing characteristics closely resembling the characteristics of those exported from Australia are excluded from the MCC classification and, consequently, excluded from the investigation.

（iii） MCC Classification by Outside Diameter Alone Cannot Reflect Key Technical Parameters Affecting Price and Cost

The initiation notice and proposed MCC structure indicate that the wheels will be categorized by outside diameter as the core model-distinguishing factor, with a range of codes (OD 708, 737, 760, 762, 768, 780, … up to 940, etc.) and exporters and the domestic industry asked to provide sales and cost data for each MCC. This approach acknowledges that diameter has a decisive impact on steel consumption, weight and cost, which is a necessary first step. However, looking at the cost structure and pricing logic of railway wheels, classifying models by diameter alone is far from sufficient.

First, for the same outer diameter, an ordinary high-carbon steel wheel and a high-performance alloy wheel can have significantly different steel costs, heat treatment schedules (quenching, tempering, induction hardening), and residual stress control. These differences directly affect wear resistance and service life, and thus have a major impact on unit costs and prices.

Second, to satisfy higher axle loads, higher speeds or harsher conditions, some wheels are designed with extra allowances in rim thickness, spoke structure, notch sensitivity control, etc. These features can make their cost much higher than that of “conventional freight wheels”.

Finally, additional features like special coatings, enhanced ultrasonic testing levels, stringent nondestructive testing standards, surface treatments or stress-relief processes can all materially alter the unit price.

In this context, using diameter alone to define MCCs can easily mix products of different technical levels and applications under the same model code, causing the “average price” to mask structural differences. For example, for wheels of OD 840, if heavy-duty high-end rail car wheels are mixed with ordinary freight wheels, the average price might be driven down or even “inverted”, thereby creating an apparent undercutting or price depression in comparisons.

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Therefore, when analyzing price effects with MCCs, the authority must not stop at diameter; it should consider key parameters that affect cost and price, such as material grade, heat treatment method, load rating, and any special-purpose processing.

If an exporter proposes reasonable modifications to the MCC structure – for example, by adding dimensions for material grade or processing that are genuinely "material factors affecting price and cost" – the Commission should treat these as valid. In that case, both the normal value/export price comparison and the injury-phase price effects analysis should be based on the revised MCC definitions, rather than using averaged data across dissimilar products.

（iv） "Model Control" Indicators Only Reflect the Overall FRW Business; Aggregate Indices and Model-Level Data Are Completely Obscured, Preventing Analysis of Product-Specific Trends

The CCCME notes that the indices tables in the application for "Model control / other economic factors" (such as Table A-10.5.1 on pp. 26–28 and related charts) give only the combined indices for Comsteel's entire FRW business (with FY2022 = 100 as base, listing overall indices for output, cost, price, revenue for FY2023–FY2025). The changes in output, price, and cost for each MCC model or major product category during the injury period have all been replaced by "[XXX]" or included only in confidential charts. In several tables that show sales, revenue and price trends "by model or category", apart from the base "Total FRW = 100", each model's index for each year is marked "[XXX]" with no values or ranges given. In the notes for model-control charts, the text contains only vague statements like "the share of a certain product category increased/decreased" or "the proportion of high-value products changed", but there are no non-confidential model-level indices or share data.

This design has two effects. First, interested parties cannot analyze whether the sales and price trends of different MCC models correspond to Chinese export volumes. For instance, it cannot be determined on which models the alleged "lost sales" or price pressure occurred, and whether those models happen to be the ones China mainly exports, or whether they are simply the result of Comsteel's own internal shifts. Without model-level data, it is not possible to determine if a price decline occurred only in certain categories or across all products.

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Conversely, if the authority were to conclude based only on total indices that "all FRW products have experienced price depression due to dumped imports", without disaggregating by model or product mix, there is a risk of mistaking changes in product structure for a price effect.

Second, interested parties cannot determine whether particular models suffered volume or price shifts. For example, we do not know if the "lost sales" and "price depression" effects are concentrated in a few product types, whether those are Chinese exporters' key models, or just Comsteel's own mix changes.

If the investigating authority were to conclude that "all FRW products overall were subject to dumped-import price depression," without distinguishing price trends of individual models or mix changes, it risks attributing structural shifts to price effects. In summary, the complete obfuscation of model-level data makes it impossible to verify the applicant's claims about product-specific trends in sales and pricing.

III. Changes in Import Volumes and Prices Cannot Prove a Significant Increase in Chinese Imports or a Price Decline in the Injury Period

The applicant alleges that imports of railway wheels from China increased significantly during the injury investigation period, and that these low-priced imports adversely impacted its sales and prices. However, a careful review of the available information and data suggests that this allegation should be treated with caution and subjected to a more nuanced analysis.

（i） From the Perspective of Import Quantity, Evidence Is Insufficient to Support a "Surge in Imports" Conclusion

The CCCME submits that the applicant's claim that "imports of wheels from China have surged in absolute terms and have had a decisive volume impact on the Australian industry" lacks a factual basis.

First, in absolute terms, the existing evidence does not support a conclusion of an "import surge." Comsteel has treated all key import volume data as confidential and replaced them with "[XX]" in the public application. This prevents interested parties from verifying any claimed

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"significant increase" via Australia's official statistics. This means the ADA Article 3.2 requirement to consider both absolute and relative import quantities has not been met. Meanwhile, publicly available Chinese customs export data (at the product code level, it includes some non-scope products, but is sufficient to show overall trends) indicate that the total volume of railway wheels and similar products exported from China to Australia during 2021–2024 was roughly flat or only modestly fluctuating, with no sustained large upward trend matching the applicant's claim of a "surge". Given that this data includes some outside-scope products and is still not showing a clear jump, it is objectively unlikely that the narrower scope products alone would have an "absolute surge". The CCCME thus argues that, absent mutually corroborating data or non-confidential indices, it is unsound to start the injury analysis with an assumption of "import surge". The Commission should verify the actual trend in absolute import volumes through Australian customs data, the importer questionnaire, and Chinese export records.

China's Exports to Australia of Railway or Tramway Locomotives or Rolling Stock; Parts, Axles and Wheels, and Parts Thereof (HS Code: 86071990)			
Year	Export Volume (kg)	Export Value (USD)	Average Unit Price (USD/kg)
2021	10,204,559.00	127,091,778.00	12.45
2022	12,636,154.00	177,613,478.00	14.06
2023	9,946,017.00	149,178,568.00	15.00
2024	10,797,192.00	163,908,441.00	15.18
2025.1-6	6,681,411.00	97,333,630.00	14.57
Source: UN Comtrade			

Second, in terms of relative quantity (market share), the initiation-phase information does not show a continuous, large increase. The public application text suggests that in the early part

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of the period, China's import share in the Australian FRW market remained relatively stable or even fell, and only in FY2025 did import share increase somewhat. In other words, any meaningful share gain occurred only in the final year, not as a continuous rise from 2021. During FY2021–FY2024, total FRW demand declined significantly; in a contracting market, even stable absolute import volumes will lead to an increase in import market share simply because the market "pie" is smaller. Therefore, citing share changes in a few years to infer that "Chinese import volume has dramatically increased over the injury period" is logically flawed. The CCCME submits that whether the rise in import share in FY2025 meets the ADA Article 3.2 standard of "significant increase" – its exact magnitude, timing, and the basis of comparison – must be clarified by the Commission through non-confidential indices and questionnaire verification in the investigation. It cannot be concluded at the application stage.

Third, from the standpoint of the volume effect, changes in import share do not show a synchronous relationship with Comsteel's injury. According to the public version, in the first half of the injury period (up to FY2024), Chinese import share was flat or slightly down, yet Comsteel's output, sales and profitability continued to worsen, with losses deepening. In FY2025, when Chinese share rose modestly, Comsteel's losses actually narrowed. In other words, the domestic industry's injury worsened mainly during years when import share was stable or falling, and when import share grew slightly, the injury metrics improved. This "inverse movement" indicates that, at least on the face of the record, one cannot show a simple one-to-one correspondence between Chinese import volumes and Comsteel's injury. Combining this with the sharply falling overall FRW demand, it is reasonable to infer that Comsteel's sales and utilization declines were largely driven by the shrinking market "pie" rather than a structural displacement by imports.

In summary, on the import quantity front, the CCCME submits that the public record and Chinese customs data are insufficient to demonstrate that Chinese wheel imports have undergone the "significant increase" (in absolute or relative terms) required by ADA Article 3.2, and certainly insufficient to show that changes in import quantity have sufficient explanatory force for Comsteel's worsening injury indicators. With Chinese import volumes roughly flat and relative shares not aligned with Comsteel's production, sales and profits, it is difficult to

conclude that an "import surge" is the driving factor of injury.

The CCCME believes that, until factors like overall demand decline are properly accounted for, the Commission should not treat "import surge" as a given fact, nor use it to directly infer a material volume impact on the Australian industry.

（ii） From the Perspective of Comparision Between Import Prices and Domestic Prices, Evidence is Insufficient to Substantiate a Finding of Systematic Undercutting

The CCCME submits that the applicant's allegation of widespread underselling by Chinese wheels lacks representative, systematic evidence and is insufficient to serve as a basis for price effects or injury.

First, while the application repeatedly claims "Chinese imports have undercut Comsteel's prices" and cites some tender or contract examples, the consideration report does not actually conclude that there was "significant, sustained undercutting", and the public version discloses no specific magnitude or statistics of underselling. In other words, the current record reflects only the applicant's claims, not facts confirmed by the authority. Per ADA Article 3.2's requirement of an objective price effects examination, one cannot establish the existence or extent of underselling based solely on the applicant's assertions without any supporting price data, indices or ranges. The CCCME requests that the Commission, in the further investigation, conduct a price comparison analysis of the alleged "underselling" and disclose, in non-confidential form, the ranges of price differentials between Chinese and Australian prices by MCC model and time period, so that interested parties can respond meaningfully.

Second, in terms of representativeness and price comparability, the applicant has provided only a few individual cases (a few large customers' tenders or contracts). These examples are highly idiosyncratic: first, the sample size is limited and cannot represent the entire FRW market; second, they focus on only a few customers and do not reflect how all users compare prices from different suppliers; third, there is no indication that the comparisons were made on fully comparable terms (for example, adjusting for MCC specifications, delivery terms (FOB/CIF), payment terms, contract duration, added services such as technical support or warranties, etc.).

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FRW are often procured via long-term contracts or tenders, and prices show significant dispersion and cyclical fluctuations. In such a market, the occurrence of a lower price in an individual contract is not uncommon and does not necessarily indicate "industry-wide systematic undercutting". Drawing a general conclusion that "the overall price level of imports is generally lower than that of domestic products" from a few scattered cases, without ensuring comparability, risks a hasty generalization. The CCCME therefore submits that if the Commission wants to assess "underselling", it must compare transactions on an MCC basis between all available China and Australian price samples on a fully comparable basis, rather than relying on isolated "case studies".

Third, regarding price trends, the public information does not indicate that Chinese export wheel prices showed a continuous downward trend during the injury period. Considering the international trends in major costs such as steel and energy, it is reasonable to infer that Chinese export wheel prices would have adjusted with costs and likely been stable or even rising modestly overall, rather than falling significantly unidirectionally. Furthermore, landed import prices include international freight, insurance, etc., so there is no basis to assume that "imports must necessarily be cheaper than domestic prices." If further investigation shows that the average price difference between Chinese exports and Comsteel's comparable products is limited, or even that in some models or periods import prices exceed domestic ones, then the applicant's conclusion that "Chinese products are systematically winning orders through low prices" would lose its factual support.

In light of this, on the price side, the current evidence is insufficient both to prove the existence of sustained, widespread "underselling" and to show that the level and trend of Chinese export prices have sufficient explanatory power for Comsteel's falling domestic prices and revenues. The individual tender/negotiation cases in the application are highly specific and anecdotal; without representative data and ensured comparability, one cannot generalize that "Chinese products are systematically depressing the overall price level."

Therefore, the CCCME requests that the Commission distinguish between the applicant's allegations of "underselling" and objective findings based on evidence. In the absence of systematic price data and comparable analysis, it would be premature for the report to treat

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"underselling" as an established fact. Unless the applicant can demonstrate that any alleged underselling has an independent and material explanatory role in the changes to domestic prices and sales, the Commission should not use "underselling" as a precondition or main basis in the injury and causation analysis.

（iii） From the Perspective of Price Depression and Price Suppression, Existing Analysis Fails to Show Comsteel's Unit Selling Price Was Depressed or Suppressed, or That This Was Caused by Chinese Imports

a) The Applicant Has Not Proven That Comsteel's Selling Price Was "Depressed" or "Suppressed".

In regard to price depression and price suppression, the applicant primarily infers that "domestic prices have been depressed and suppressed by Chinese imports" based on the observation that "Comsteel's unit selling prices have long been lower than unit costs, and the rate of price increase is lower than the rate of cost increase". The CCCME considers this reasoning to conflate two distinct concepts: the price–cost relationship and the price effects of imports. This approach fails to meet the requirements under Article 3.2 of the WTO Anti-Dumping Agreement (ADA) concerning "price effect" analysis, and it is also inconsistent with established practice under WTO dispute settlement.

From Comsteel's own publicly disclosed price indicators, the claim of being "subject to price depression/suppression" lacks a factual foundation.

First, the average selling price did not exhibit a decline or prolonged stagnation over the injury period; rather, it showed a steady upward trend. According to the public version of the application (Table A-10.5.1), taking FY2022 as the base year (index = 100), Comsteel's unit selling price index for FY2023–FY2025 stood at 111.80, 117.50, and 117.28, respectively. This indicates that from FY2022 to FY2024, average selling prices increased for two consecutive years, with a cumulative rise of nearly 18%. In FY2025, the price experienced only a minimal technical adjustment (117.50→117.28), remaining at a high level compared to the previous year and well above the base index of 100. Under this price trajectory, it is difficult to conclude that domestic prices were "systematically depressed or long suppressed at a low level". If dumping

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had truly caused price depression or suppression, the data would at least show falling prices, prolonged stagnation, or a significant deviation from general trends in cost and demand. Yet Comsteel's disclosed figures clearly show that its selling prices rose steadily and remained at elevated levels.

Second, price and cost moved broadly in the same direction, and there is no evidence of the kind of abnormal divergence suggested by the applicant, i.e., that "prices were forcibly held below cost". The same table shows that Comsteel's unit cost indices for FY2023–FY2025 were 112.38, 119.11, and 115.91, respectively. This means that in FY2023 and FY2024, both price and cost rose in parallel with increases in input prices such as steel and energy—prices rose from 100 to 111.80 and 117.50, and costs rose from 100 to 112.38 and 119.11, indicating a consistent directional movement. By FY2025, the cost index fell notably from 119.11 to 115.91, while the price index only slightly declined from 117.50 to 117.28. In effect, costs declined more than prices. In other words, in the latest year, Comsteel's costs experienced a substantial drop, while its selling prices remained at the high level of the previous year—there was no sign of prices being "held down" or adjusted downward in lockstep. From a dynamic perspective, the relationship between price and cost reflects a normal pattern of "co-directional fluctuation with some variance in amplitude,". It does not show an anomalous pattern in which external low-price shocks forcibly anchor prices at an abnormally low level, diverging markedly from cost trends. This demonstrates that Comsteel's claim of price depression/suppression is not corroborated by its own disclosed price–cost time series.

In essence, Comsteel is using the concept of "price increase lagging behind cost increase" as a proxy for the WTO-legal definitions of "price depression/suppression", thereby confusing distinct concepts. As seen in the index data above, during the first two years, costs did rise faster than prices. This is a typical industry phenomenon in times of elevated input costs and weak market demand. However, this "price increase lagging behind cost increase" is fundamentally a reflection of cost-side pressure (e.g. from raw materials, energy, labor, and under-absorption of fixed costs) and limited downstream demand resilience. It is, in fact, a result of the company's own cost structure and market environment, not of any suppressive impact from low-priced imports.

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b) The Applicant Fails to Establish a Price Effect Link Between Chinese Imports and Comsteel's Selling Price Trends

According to Article 3.2 of the ADA, the concept of price depression or price suppression must be demonstrated through positive evidence and objective analysis that shows the price level and trend of the dumped imports have exerted downward or suppressive pressure on the prices of the domestic like product. A simple comparison between domestic prices and costs does not suffice to establish that import prices prevented domestic prices from rising or from rising sufficiently. The investigating authority must determine whether, in the absence of dumped imports, domestic producers would have been able to achieve higher prices, and whether such reasonable price increases were displaced by low-priced imports.

First, Chinese products have maintained a limited market share and have not been in a position to dominate overall price levels. As indicated in the application and initiation documents, Comsteel continued to hold a dominant share in the Australian FRW market throughout the injury period, while Chinese products remained supplementary in market presence. In markets where domestic producers enjoy a controlling position, pricing is typically shaped by internal cost structures and downstream demand rather than by a small volume of imports. Therefore, assigning full responsibility for the long-term price–cost gap to Chinese import prices lacks a logical foundation.

Second, there is also no concrete evidence indicating a persistent decline in Chinese export prices. As previously discussed, no publicly available data suggests that Chinese export prices for railway wheels experienced consistent decreases during the investigation period. Against the backdrop of rising global steel and energy prices, Chinese export prices have likely remained stable or have increased moderately.(See table below) Available data tables confirm that Chinese unit export prices even rose during the review period. In light of this, it is necessary for the Commission to assess whether Comsteel's pricing constraints stem from import prices or from its own limited pricing flexibility under conditions of elevated costs and subdued demand.

China's Exports to Australia of Railway or Tramway Locomotives or Rolling Stock; Parts, Axles and Wheels, and Parts Thereof (HS Code: 86071990)

Year	Export Volume (kg)	Export Value (USD)	Average Unit Price (USD/kg)
2021	10,204,559.00	127,091,778.00	12.45
2022	12,636,154.00	177,613,478.00	14.06
2023	9,946,017.00	149,178,568.00	15.00
2024	10,797,192.00	163,908,441.00	15.18
2025.1-6	6,681,411.00	97,333,630.00	14.57
Source: UN Comtrade			

c) The Applicant Fails to Exclude Other Non-Import Factors That Sufficiently Explain the Deterioration of the Price–Cost Relationship

In light of the facts of this case, Comsteel's current situation of "price–cost inversion" can at least be independently explained by the following factors:

First, publicly available information in the application indicates that Comsteel's unit cost has risen continuously during the injury period. This increase has been driven by multiple factors such as steel, energy, labor, and the dilution of fixed costs. Against the backdrop of sharply increasing costs, even if the selling price has risen from the index level of 100 to approximately 117 as previously stated, it may still fall short of covering costs. In this context, a "price increase smaller than the cost increase" primarily reflects limited cost control and rigid cost structure, rather than directly indicating a price suppression effect caused by imports.

Second, based on the initiation notice, the product under investigation is railway wheels for freight rail carriages/wagons with a 36-ton axle load. In practice, in Australia, such high-axle-load freight wheels are mainly used in the dedicated ore trains (for iron ore and, in part, coal) operated by a few major mining companies and associated heavy-haul freight operators. From an engineering and industry structure perspective, the downstream users are primarily large mining companies and their affiliated rail operators, along with a small number

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of other freight rail service providers. Accordingly, the CCCME has reason to believe that the primary purchasers of the subject freight railway wheels are major mining companies and rail operators. Their acceptable pricing levels are subject to industry conditions, profitability, and internal budget constraints. In a period of weakened demand and market contraction, downstream users tend to be more resistant to price increases. Even in the absence of import competition, significant price hikes may be met with reluctance. Under such conditions, Comsteel's limited pricing capacity stems largely from decreased demand tolerance rather than being solely determined by Chinese import prices.

In summary, the CCCME holds that the applicant's reliance on the claims that "Comsteel's selling prices have long been below costs, and price increases lag behind cost increases," combined with several isolated textual assertions, to conclude that Chinese imports caused price depression or suppression is essentially an unjustified attribution of cost pressure and demand constraints—both non-import factors—to imports. This lacks the necessary causal chain and contradicts the price index trends disclosed by Comsteel itself.

As explained in multiple WTO panel reports, "price suppression" or "price depression" does not merely refer to domestic prices falling below cost or price increases being smaller than cost increases. The key inquiry is whether positive evidence and objective examination establish that the price level and trend of dumped imports exert downward or suppressive pressure on domestic like product prices. In other words, simply comparing domestic industry prices and costs does not automatically lead to the conclusion that import prices are the reason domestic prices could not increase or failed to increase sufficiently. The investigating authority must demonstrate that—absent dumped imports—the domestic producer could have achieved higher prices, and that this potential price increase was effectively crowded out by low-priced imports.

On this basis, the CCCME respectfully submits and requests that the Commission: clearly distinguish between "deterioration of the price–cost relationship" and "price suppression/depression caused by import prices" in its price effect analysis; refrain from using "price below cost" or "price increases smaller than cost increases" as direct presumptions of causal price suppression or depression from dumped imports; conduct a systematic review of Comsteel's cost structure changes, market demand trends, fixed cost rigidity, and declines in

capacity utilization to isolate their independent effects on prices and remove these non-import factors from the attribution model of price effects; and compare the complete price data between Chinese products and Comsteel's prices during the injury period. If the data shows that Chinese product prices were generally stable or rising and held a limited market share, the conclusion that imports led to price suppression or depression should be approached with caution. Unless and until the above price effect and causality analysis is completed, it is inappropriate to treat "Chinese import prices caused Comsteel's prices to be suppressed or depressed" as an established fact in the injury and causation determination.

The CCCME considers that Comsteel's current pricing challenges are more likely the result of a combination of declining market demand, limited customer price tolerance, escalating costs, and structural cost rigidity, rather than being simply attributable to competition from Chinese imports. If the Commission is to comply with the requirement under the ADA for "objective examination based on positive evidence", it must give full consideration to the above factors and avoid automatically attributing all pricing issues to Chinese imports.

IV. Analysis of Economic Indicators of the Domestic Industry

The applicant cites various economic indicators to assert that the Australian industry has suffered "material injury" from Chinese imports. The CCCME considers that the current evidence is insufficient to support such a conclusion. On the one hand, the fluctuations in several key indicators can be independently explained by non-import-related factors, such as declining market demand and worsening cost structures. On the other hand, the applicant's injury analysis exhibits issues such as selective use of indicators and lack of comprehensive evaluation, failing to conduct a systematic examination of "all relevant economic factors and indices" in accordance with the legal framework of anti-dumping.

（i）From the Perspective of Production, Sales Volume, and Market Share: Existing Evidence Is Insufficient to Establish Imports as the Cause of Declining Sales

Regarding production, sales volume, and market share, it is true that Comsteel experienced declines in both output and domestic sales during the injury period, with a corresponding drop in

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market share to some extent. However, the CCCME considers that the applicant's attempt to attribute all negative developments solely to Chinese imports lacks factual foundation.

First, in terms of market environment, Australia's overall market demand for FRWs has shown a clear downward trend in recent years, with the overall "market size" continuously shrinking. Under such circumstances, even without any increase in imports, the domestic industry's sales and production would inevitably decline due to the contraction in market capacity. Public information in the application also indicates that the total FRW market experienced a double-digit percentage decline during the injury period. This demonstrates that reduced output and sales were primarily the direct result of shrinking demand.

Second, regarding the timing characteristics of import share, as described in the public version of the application, Chinese imports maintained a relatively stable share in the Australian market during the first half of the investigation period and even slightly declined in FY2024. It was only in FY2025 that a modest rebound in market share was observed. However, Comsteel's operating losses and declining sales mainly occurred during the years when the import share was stable or decreasing. In FY2025, when the import share slightly increased, Comsteel's losses actually narrowed. This inverse movement between import share and injury indicators suggests there is no straightforward causal relationship between the decline in output/sales and Chinese imports.

Third, from the perspective of Chinese export prices and behavior, sample data held by CCCME indicates that from 2021 to 2025, the average unit price of China's exports of wheels to Australia exhibited an overall upward or stable trend (e.g., from US$12.45/kg → US$14.06/kg → US$15.00/kg → US$15.18/kg → US$14.57/kg). There is no evidence of a "price-cutting to expand volume" strategy. Since the import prices themselves did not show a consistent downward trend, it is difficult to support the allegation that Chinese imports seized market share through aggressive underpricing, thereby causing significant declines in domestic production and sales.

Based on the above, it can be reasonably concluded that the decline in Comsteel's production, sales volume, and market share was largely due to non-import-related factors, such

as overall market contraction, adjustments in customer procurement planning, and Comsteel's weak export performance, rather than being directly driven by changes in the volume of Chinese imports. The applicant has yet to provide a convincing evidentiary chain demonstrating that "the change in Chinese import volume was the primary and decisive cause" of its declining sales.

The CCCME therefore requests the investigating authority that, in assessing indicators related to production, sales volume, and market share, it should first isolate the impact of market contraction, cyclical industry fluctuations, and Comsteel's insufficient export competitiveness. Before completing such isolating analysis, it is inappropriate to attribute declines in production and sales directly and simplistically to Chinese imports.

（ii） From the Persepective of Sales Indicators: Existing Data Is Insufficient to Support a Conclusion of "Material Decline in Sales"

With respect to sales indicators, Comsteel claims that its revenue has suffered severe impact due to imports from China. However, the sales-related data disclosed in the public version of the application does not support this conclusion.

First, regarding the trend in sales revenue, Comsteel's railway wheel business did not exhibit a cliff-like decline consistent with the notion of "serious sales injury". As shown in Table A-10.5.1 of the public version of the application, with FY2022 = 100 as the base year, Comsteel's sales revenue index rose to 108 in FY2023 and then declined to 99 and 88 in FY2024 and FY2025, respectively. This indicates that for a significant portion of the injury period (at least until FY2023), sales revenue remained above the base-year level, and the notable decline occurred only in the later stages of the period. This trajectory does not align with the applicant's assertion that sales were consistently and severely hit by dumped imports throughout the injury period.

Second, when comparing changes in sales revenue and sales volume, the revenue decline is clearly smaller than the volume decline. This suggests that Comsteel, in the context of shrinking overall market demand, partially offset the impact of reduced sales volume through price or product mix adjustments, rather than suffering a complete collapse in sales. According to Table A-10.5.1, the decline in the railway wheel sales volume index was greater than the decline in the

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revenue index during the injury period, indicating that per-unit sales revenue improved overall, rather than falling in both volume and value as would typically be expected if dumped imports were displacing sales. If, as the applicant contends, low-priced imports had broadly displaced Comsteel's sales across the market, one would expect sales revenue to fall in tandem with, or even faster than, sales volume. The current data does not reflect this pattern.

Third, based on the market environment and the applicant's own statements, the changes in Comsteel's sales indicators appear to be closely tied to a significant decline in total demand for freight railway wheels (FRW) in Australia. Public information in the application shows that Australia's FRW consumption fell by a double-digit percentage during the injury period. In such a context of a "significantly shrinking market pie", even if imports remained stable or changed only marginally, domestic producers would still experience declines in sales volume and revenue as a natural consequence of reduced demand. The public record does not distinguish how much of the decline in the sales revenue index—from 100 to 88—was caused by non-import factors such as shrinking market volume and project cycle adjustments, and how much could be attributed to imports from China. Nor has sufficient evidence been provided to establish that Chinese imports were a contributing factor to the observed changes in sales.

Therefore, from the perspective of the "sales" economic indicator as stipulated in Article 3.4 of theADA, the existing evidence at most demonstrates that Comsteel faced some sales pressure under macroeconomic conditions of weakening demand and rising cost burdens. However, this does not rise to the level of "material decline in sales," nor does it establish that imports from China were responsible for the deterioration in sales performance. In subsequent proceedings, the investigating authority should further distinguish the respective effects of non-import-related factors—such as declining market demand—and import-related factors on the sales indicators, and refrain from attributing changes in sales to Chinese imports without first conducting the necessary isolating analysis.

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（iii） From the perspective of Profit and Profitability: Losses Are Primarily Attributable to Cost Structure and Demand Conditions Rather Than Import Competition

Regarding profit and profitability, Comsteel did experience a decline in profits during the injury period. However, the CCCME believes that this trend was driven by multiple factors—namely shrinking market demand, a rigid cost structure, insufficient fixed cost absorption, and weak export capability—and cannot be simply attributed to imports from China.

First, a comparison of Comsteel's price and cost indices shows that the unit cost index (e.g., 100 → 112.38 → 119.11 → 115.91) consistently exceeded the price index and also followed an upward trend. This indicates that the deterioration in profitability was primarily due to rapidly rising costs rather than depressed sales prices. Prices of key inputs such as steel, energy, and labor have generally increased in recent years. Combined with declining output—which reduces the ability to spread fixed costs—unit costs inevitably rise. Even if sales prices increased, profitability could not be restored under such cost pressure.

Second, Comsteel's rigid fixed cost structure has likely exacerbated its losses. During the injury period, fixed expenditures such as depreciation, maintenance, administrative expenses, and labor costs could not be adjusted in line with reduced production levels. As demand declined and output fell, these fixed costs were spread over fewer units, resulting in increased per-unit costs and, consequently, deeper losses. This cost absorption mechanism is a structural feature of the industry and does not necessarily correlate with changes in the volume or price of imports.

Based on the above, the CCCME respectfully submits that in analyzing profit and profitability, the investigating authority should fully identify and isolate the impact of these non-import-related factors—such as elevated input costs and rigid fixed cost structures. It should not presume the existence of "material injury" caused by dumped imports solely on the basis of negative profitability.

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（iv） Selection and Evaluation of Injury Indicators Is Inconsistent with the Requirements of Article 3.4 of the Anti-Dumping Agreement

Regarding the selection and evaluation of injury indicators, the CCCME submits that Comsteel's application and the analysis conducted at the initiation stage have not strictly followed the requirements of Article 3.4 of theADA, which mandates the assessment of all relevant economic factors and indices. On one hand, the applicant places significant emphasis on indicators such as "asset value decline" and "reduced R&D expenditure", which are not traditional anti-dumping injury indicators and lack a direct and verifiable causal link to import competition. On the other hand, the application fails to provide comprehensive data or analysis for several core operational indicators explicitly listed under Article 3.4 (e.g., cash flow, inventories, employment, wages, growth, and ability to raise capital). If the investigating authority determines the existence of "material injury" based solely on a partial set of indicators, it would fall short of the legal obligation for holistic evaluation.

First, in terms of indicator selection, Comsteel uses "asset value decline" and "reduced R&D expenditure" as key grounds to prove the severity of injury. However, both are fundamentally internal financial and budgeting decisions rather than typical indicators of industrial injury. Declines in asset value generally result from asset impairment tests conducted under accounting standards, reflecting management's revised expectations for future cash flows and asset recoverability. These are often influenced by factors such as macroeconomic interest rates, exchange rates, corporate restructuring, or internal asset revaluations, and do not directly correspond to immediate changes in sales, prices, or profits. According to the application, the asset value index dropped from 117 in FY2023 to 76 in FY2024. At most, this suggests a conservative reassessment of long-term asset expectations by Comsteel, but it does not demonstrate operational harm caused directly by the quantity or price of Chinese imports.

Similarly, the decline in R&D expenditure should be interpreted with caution. Comsteel's R&D spending index fell sharply to 19 in FY2025 (from 81 previously), which more likely reflects an active budgetary contraction of long-term projects in response to pressure on revenue and cash flow. It is not indicative of a direct blow from import competition to current production or operational capabilities. The rail wheel sector is technologically mature, and R&D spending

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constitutes a relatively small portion of total costs. Short-term fluctuations in R&D spending typically reflect a strategic decision by management to prioritize production over research, and this bears no necessary correlation to the existence or magnitude of dumped imports. Using such "strategic expenditure adjustments" as key evidence to determine "material injury" deviates significantly from the proper analytical framework.

In contrast to these capital and strategic indicators, Article 3.4 of the ADA requires investigating authorities to assess a complete set of economic factors that directly reflect the operational status of the domestic industry. These include, but are not limited to: sales, profits, output, market share, productivity, return on investment, capacity utilization, factors affecting domestic prices, cash flow, inventories, employment, wages, growth, and the ability to raise capital or make investments. The WTO panel has repeatedly emphasized in cases such as EC – Tube or Pipe Fittings that authorities must conduct a "reasoned and meaningful analysis" of these factors, not merely cite them or selectively use a few to support a predetermined conclusion.

According to the publicly available case files, Comsteel's application and the initiation assessment primarily focus on a narrow set of indicators—output, sales, prices, and profits—while failing to provide specific data or thorough analysis for indicators such as cash flow, inventories, employment, wages, growth, and financing capacity. For example, regarding employment, the application does not allege large-scale layoffs or significant wage cuts. The decline in productivity appears to stem from reduced output while maintaining stable employee numbers—a natural result that suggests the so-called "serious injury" is not adequately reflected in labor indicators. It also highlights Comsteel's rigid cost structure and labor costs, which are independent causes of its increased losses. If the investigating authority concludes the existence of "material injury" without comprehensively assessing these factors, it risks over-attributing internal cost and management issues to imports.

According to WTO jurisprudence interpreting Article 3.4, when making injury determinations, authorities must: (1) assess all relevant economic factors and indices, and not merely reference them in form; and (2) provide a coherent and reasoned explanation of how the evaluation of these factors leads to the conclusion that injury exists. It is insufficient to simply

reason that "some indicators worsened, and therefore injury exists". Even if certain indicators (e.g., R&D or asset value) are mentioned as background information in specific cases, the investigating authority must not neglect the systematic analysis of traditional operational indicators listed in Article 3.4, nor elevate financially indirect indicators with weak import connections to the primary basis for injury determination.

Based on the above reasons, the CCCME respectfully submits and requests that the investigating authority, in its injury analysis, limit the roles of asset value and R&D spending—which are highly subjective and weakly correlated to import competition—to background reference only, and not use them as main evidence for finding material injury. In the absence of data on capacity utilization, cash flow, inventories, employment, wages, growth, and the ability to raise capital or make investments, it is inappropriate to conclude that "the Australian industry has suffered material injury caused by imports from China". Drawing on such a conclusion based solely on a few underperforming indicators would be legally unsound.

V. The Causation Chain Put Forward by the Applicant and Relied Upon at Initiation Does Not Establish that the Alleged Injury Was Caused by the Dumped/Subsidised Imports

The CCCME submits that both the Application and the initiation-stage analysis suffer from significant deficiencies with respect to causation. First, they rely excessively on Comsteel's unilateral "lost-tender" anecdotes and hypothetical counterfactual simulations, and elevate these individual cases into a purportedly generalised causation chain. Second, they overlook or downplay multiple well-established factors — including declining market demand, structural cost deterioration, and Comsteel's own competitiveness constraints — and instead attribute the entirety of Comsteel's operational difficulties solely to imports from China. Based on the publicly available information, it cannot be established that the alleged dumped or subsidised imports from China were the cause of the "material injury" claimed by Comsteel.

In this case, Comsteel argues in its Application that the various forms of injury it allegedly suffered were directly caused by dumped and subsidised imports from China, and it constructs a causal narrative of "low-priced imports, lost sales/market share, price depression/suppression,

profit deterioration". At the initiation stage, the Report broadly accepted this narrative under the "sufficient evidence" threshold, suggesting that Comsteel's declining sales, reduced market share and price pressure showed a preliminary "correspondence" with imports from China during the same period.

However, this asserted causation chain is substantively deficient at the level of core facts.

（i）The Time Series of Sales and Market Share Does Not Move in Tandem with Import Trends and Cannot Support an "Import-Caused Injury" Inference

a) Sales, profitability and import share do not move synchronously, and therefore cannot support the conclusion that imports caused injury

Public information in the Application shows that for a substantial part of the injury period (at least until FY2024), the share of Chinese imports in the Australian FRW market remained broadly stable or even declined slightly. Meanwhile, Comsteel's output, sales volume and profitability continued to deteriorate, with losses deepening significantly during the same period. By contrast, in FY2025, when the share of Chinese imports increased to some extent, Comsteel's losses narrowed at the margin.

At the same time, Comsteel itself acknowledges that overall demand for FRWs in Australia declined by double-digit percentages during the injury period, with total FRW consumption shrinking substantially. In such a context—where the overall "market pie" is shrinking—even if import volumes remain broadly stable, the domestic supplier's sales would inevitably fall passively. Even in years where import share rises slightly, such an increase is very likely a "passive share increase" resulting from a shrinking denominator (total market decline), rather than a surge in the absolute volume of imports.

Against this background, simply matching Comsteel's decline in sales to changes in import share, and inferring from this that "lost sales were primarily caused by dumped imports", lacks a rigorous quantitative foundation.

b) Price and cost data do not show persistent or systematic price depression/suppression, and thus cannot establish that any price effect was caused by imports

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Under Article 3.2 of the ADA, price-effect analysis must assess the actual effect of the price level and trend of the dumped imports on domestic prices. It cannot rely solely on findings such as "prices below cost" or "prices rising more slowly than costs" to presume that depressed or suppressed domestic prices were caused by dumped imports.

The injury section of the Application ("Other Economic Factors" table) shows that, with FY2022 = 100 as the base, Comsteel's unit sales price index increased from 100 to 111.80, 117.50 and then 117.28; the unit cost index increased from 100 to 112.38 and 119.11, then declined to 115.91.

This demonstrates that while Comsteel's prices remained below its unit costs, both price and unit cost trended upward. It follows that the primary driver of the expanding losses is that costs increased more rapidly than prices, rather than prices being driven to lower levels.

This indicates that the alleged "price depression/suppression" reflects, in essence, the inability of Comsteel to fully pass through sharply rising costs to downstream users in an environment of limited demand—rather than any systematic downward pressure on domestic prices caused by dumped imports. Such "price–cost inversion" fundamentally reflects cost rigidity and demand constraints, not a price-suppression effect attributable to imports.

c) Individual "lost tender" cases and counterfactual simulations are highly subjective and cannot substitute for an objective causation analysis

In the Application, Comsteel cites several tender cases involving major customers, arguing that lower Chinese bids resulted in "lost sales" or "lost revenue". These cases, however, suffer from material limitations.

First, the sample size is minimal. The cases relate only to a few specific customers and individual tenders and cannot be considered statistically representative of the overall FRW market. Second, the non-confidential Application does not disclose essential elements needed to ensure price comparability—such as product specifications, technical parameters, delivery terms, after-sales services, or other commercial conditions—making it impossible for interested parties to verify whether the lower bid truly reflects a price difference rather than differences in quality, service or long-term cooperation arrangements.

Moreover, Comsteel's counterfactual model—asserting that in the hypothetical absence of Chinese imports, FY2025 sales, revenue and profits would have improved substantially—is built on a set of unverified assumptions, including "no Chinese imports", "unchanged demand", and "no increase in other imports". Such a scenario constitutes a highly subjective predictive construct rather than a factual causation analysis.

In summary, the CCCME submits that, based on the limited and one-sided information contained in the Application and the initiation report, it cannot be established that dumped or subsidised imports from China bear a direct, decisive or exclusive causal relationship with the injury alleged by Comsteel.

（ii） Analysis of Other Factors in the Present Investigation That May Affect the Applicant's Situation

Pursuant to Article 3.5 of the ADA, the investigating authority must, in assessing causation, examine all known factors other than dumped imports that may be causing injury to the domestic industry, and ensure that injury caused by such other factors is not attributed to dumped imports. The CCCME submits that, in this case, at least six categories of non-dumping factors have had a significant impact on Comsteel's operating performance, yet the Application and the initiation report fail to provide sufficient and quantified analysis to isolate and exclude their effects.

a) Decline in Domestic Demand (Shrinkage of Total Market Size)

The Application and initiation materials indicate that overall demand for FRWs in Australia declined visibly during the injury period. Comsteel itself acknowledges that total FRW consumption has fallen by double-digit percentages since 2021. In the face of a sharply contracting total market size, even if the absolute volume of Chinese imports remained broadly stable, the domestic supplier's sales would naturally decline as the "market pie" becomes smaller.

The time-series evidence further shows that between FY2022 and FY2024, the market share of Chinese imports remained broadly stable or even slightly decreased, while Comsteel's sales, output and profitability continued to deteriorate and losses deepened during the same

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period. In FY2025, when Chinese import share increased to some extent, Comsteel's losses actually narrowed.

This indicates that the deterioration of injury indicators mainly occurred in years when import share did not increase—or even declined—whereas in the year import share rose modestly, Comsteel's losses improved. The shrinking overall market demand alone is sufficient to explain a substantial part of Comsteel's decline in sales and output. Changes in import share cannot explain the continuous deterioration of Comsteel's operating performance.

b) The Applicant's Own Efficiency and Technological Limitations

Comsteel's competitiveness has long relied on its domestic monopoly position, but it may lag behind international peers in manufacturing efficiency and technological upgrading. In the previous investigation (case 466), Rio Tinto explicitly noted that the Chinese supplier Maanshan Iron & Steel (Ma Steel) operated with a much larger, highly automated plant, whereas Comsteel had not made similar technological investments. Comsteel's R&D expenditure has remained persistently low (almost stagnant in FY2025), evidencing limited product and process improvement.

Low production efficiency implies structurally higher costs and greater sensitivity to price fluctuations, placing Comsteel at a disadvantage in global competition. More importantly, Comsteel appears not to have adequately responded to customers' calls for improvements in efficiency and quality. In case 466, Rio Tinto observed that Comsteel did not adopt recommendations aimed at improving manufacturing efficiency. Such customer feedback shows a lack of internal initiative to upgrade, causing Comsteel to miss opportunities to reduce costs or improve product quality.

If Comsteel could have partially improved profitability through better management or technological investment but failed to do so, then part of its losses result from its own poor operational performance. Mining companies generally prefer suppliers that consistently improve efficiency to reduce long-term costs; Comsteel's lack of improvement inevitably erodes customer confidence and loyalty. Even in the absence of dumping, Comsteel's competitive weakness could lead customers to shift to other suppliers, including suppliers from third

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countries.

This portion of Comsteel's injury clearly results from its own insufficient competitiveness, rather than from allegedly dumped imports from China.

c) Poor Export Performance and Global Competitive Pressure

Comsteel is not confined to the domestic market; its products could theoretically be exported. However, public information shows that its export performance is significantly weaker than its domestic performance, with virtually no meaningful export volume in recent years. According to Table A-6 of the non-confidential Application ("Applicant's Sales Volume/Value Index"), the export volume index for FRW and similar products declined sharply from FY2022 = 100 to 80.46 in FY2023, 39.97 in FY2024 and 7.28 in FY2025. Corresponding export value indices fell from 100 to 87.59, 51.42 and 9.68.

By comparison, during the same periods, Comsteel's domestic sales and revenue indices remained around 75.08 and 88.06 respectively in FY2025. This stark contrast shows that Comsteel's export business has been far weaker than its domestic business and has collapsed almost entirely in recent years.

Such a dramatic contrast demonstrates that Comsteel's deteriorating performance is driven by a broader lack of competitiveness in global markets, not by any uniquely adverse change in the Australian market or by any particular "shock" from Chinese imports. If Comsteel cannot sustain sales or revenue in multiple overseas markets, this strongly indicates systemic disadvantages relative to major global suppliers in cost control, technology, product performance or supply conditions.

Under these circumstances, attributing Comsteel's overall difficulties to "Australian market reliance on Chinese imports" is logically untenable. The collapse of export business shows that—regardless of Chinese exports to Australia—Comsteel faces intense competition from suppliers worldwide. Its losses have global and structural origins. The investigating authority must fully acknowledge this "global competitiveness deficit" as an independent causal factor, and avoid misattributing injury that stems from Comsteel's own weaknesses to alleged dumping or subsidization by China.

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d) Product Quality and Reputation Factors

Freight railway wheels are safety-critical components; product quality and reliability are decisive factors for users. Past quality incidents can significantly affect customers' procurement choices.

Publicly available information shows that around 2016 Comsteel experienced multiple wheel fracture and hub failure incidents, raising serious concerns among downstream users, including major mining companies. In the previous case, certain users publicly stated that these quality events were an important reason for considering overseas suppliers to diversify risk. Some users also reported that after switching to certain Chinese suppliers, no further fracture incidents occurred, strengthening their confidence in imported wheels. Prior materials also refer to Comsteel's past deficiencies in packaging and transportation that resulted in product damage.

Therefore, based on industry practice and publicly available records from the prior case, it is reasonable to infer that Comsteel's historical performance in quality reliability and service may have had a lasting impact on its reputation and customer preferences in the Australian FRW market. Quality and reliability remain important considerations for users when evaluating suppliers.

In this context, although the Australian authority later found no conclusive evidence that Comsteel's wheels were inferior in quality to imports, repeated failures inevitably reduce customer trust. In a safety-sensitive sector such as freight rail, even a perceived reliability difference may influence procurement choices. If Comsteel fails to meet customer expectations on product reliability or service, users may shift to other suppliers.

These quality-related factors are entirely unrelated to dumping. They stem from Comsteel's own management and production issues. Under Article 3.5 of the ADA, the investigating authority must carefully examine and appropriately separate such factors—including product quality, historical incident records, and service issues—to avoid attributing injury caused by the applicant's own deficiencies to alleged dumped or subsidized imports from China.

e) Cost Factors (Raw Materials, Energy, Regulatory Burden)

Australian manufacturing has in recent years faced rising energy costs, high raw material

prices, and increasingly stringent labour and environmental regulations. Steel wheel production requires large quantities of steel billets or steel products and involves high-temperature heat-treatment processes, making it highly sensitive to steel and energy costs.

Following closures of certain upstream steelmaking capacity in Australia, Comsteel may rely more heavily on imported steel inputs. Imported steel is typically more expensive than previously available domestic supply, and global steel prices have risen in recent years, driving Comsteel's production costs higher. Industrial electricity and gas prices in Australia also increased substantially during 2021–2023, representing major cost pressure for forging and rolling operations. New workplace safety and labour regulations may also increase compliance and employment costs.

These cost increases erode Comsteel's profitability and are unrelated to dumping. If Comsteel's losses are largely driven by rising domestic factor costs, then even in the absence of Chinese imports, its profitability would decline and its price competitiveness would weaken.

In the anti-dumping process, it is crucial to highlight this broader macroeconomic context: recent years have been a high-cost period for Australian manufacturing, with profit margins compressed across many industries. Comsteel's losses share common structural causes and cannot be fully attributed to import competition. Failure to properly separate these "cost-environment factors" risks misinterpreting domestic cost inflation as "dumping-induced injury".

f) Procurement Strategies and Commercial Considerations of Australian Downstream Users

As analysed above, the 36-tonne axle-load FRW wheels under investigation are mainly used for heavy-haul mining trains. The core downstream users are therefore several large mining companies and their associated rail operators.

These companies' procurement decisions may incorporate strategic considerations beyond price and quality. In case 466, Rio Tinto stated that it wished to establish long-term cooperation with Chinese suppliers to deepen its commercial engagement with China. This indicates that part of its purchasing decisions may be driven by diplomatic or commercial-strategic

considerations rather than solely by cost comparisons.

This point is crucial in assessing causation: if major mining companies consciously procure a certain proportion of material from China to support their commercial interests in the Chinese market, then the loss of orders by Comsteel is attributable to mining companies' own global sourcing strategies—rather than to dumped imports.

Although the previous report noted that it could not definitively establish that such strategic considerations were the direct reason for Rio Tinto changing suppliers, Rio Tinto's own statements confirm that such motivations did exist.

In the present case, as Australia–China economic relations continue to warm, Australian mining companies may again choose to increase procurement from China for long-term strategic reasons. Such procurement behaviour falls within normal commercial and international business strategy, and should be identified in the causation analysis as an independent "other factor". It must be separated from the alleged causation model of "dumping-caused injury", and should not be misattributed to alleged dumped or subsidized imports from China.

（iii） The Existing Evidence Is Insufficient to Establish That Dumped/Subsidized Imports Are the Cause of Material Injury

Based on the above analysis, the CCCME submits that, viewed from the time-series patterns and the behaviour of volume and price indicators, there is no clear, consistent one-to-one correspondence between the injuries alleged by Comsteel and the alleged dumped/subsidized imports from China. Comsteel's injury indicators worsened during periods when the share of Chinese imports remained stable or even declined, whereas in the year when the import share increased slightly, the degree of injury actually eased. Domestic prices generally trended upward rather than being depressed, and Chinese export prices did not exhibit any sustained or significant downward trend.

In addition, the Application and initiation materials expressly identify—or implicitly acknowledge—multiple non-dumping/subsidy factors that are fully capable of independently explaining Comsteel's deteriorating performance, including: contraction of total market demand; Comsteel's own efficiency and technological limitations; weak export competitiveness; product

quality and reputation concerns; significant increases in factor costs; and strategic procurement considerations of downstream users. The combined effect of these factors could entirely constitute the primary sources of the alleged injury.

The CCCME therefore requests that, in the next stage of the investigation, the Commission—pursuant to Article 3.5 of theADA—conduct factor-by-factor analysis and quantitative assessment of the above non-dumping factors, explicitly separate them from the injury-attribution model, and refrain from finding the existence of "material injury caused by dumped/subsidized imports" for the purpose of imposing measures, unless and until it is demonstrated—through positive evidence and objective examination—that the alleged dumped/subsidized imports from China play a dominant role in the overall injury.

（iv） Insufficient information and evidence from downstream end-users (purchasers) of the subject railway wheels

The information and evidence presented by Comsteel in its application does include evidence of why en-users of the subject freight railway wheels made their particular purchasing decisions. Comsteel simply asserts that such purchasing decisions were based solely on price and not other factors such as quality and performance. If correct, it would be surprising. Quality and performance of railway wheels would be principal consideration in making purchasing decisions because a sub-standard railway wheel with attendant possible defects would or could cause significant problems such a derailment, delays, etc. A sub-standard and/or defective wheel would, it is submitted, be too expensive at any price.

In this context, it is requested that the Anti-Dumping Commission approach end-user purchasers of the freight railway wheels for information and evidence not only of their purchases of railway wheels form suppliers (e.g., in terms of quantities purchased and prices as well as terms and conditions) but also the speicifications that suppliers are required to meet before their freight railways wheels are considered for purchase, consierations taken into account in making purchasing decisions such as compliance with specifications requirements, maintenance and service requirements for the wheels, research and development of the railwaywheels, etc., as well as price.

Without such information and evidence, it is not possible to determine why end-user prurchasers make their purchasing decisions and, consequently, properly address the issue of 'causation'.

VI. Public Interest Considerations

The CCCME submits that the imposition of high duties on imports of freight railway wheels from China would generate several adverse effects that are clearly inconsistent with the

public interest. These impacts must be carefully weighed by the Commission to avoid adopting measures that would ultimately be counterproductive.

The CCCME notes that Australia's anti-dumping legislation permits the Minister to take into account public interest considerations as a relevant consideration when exercising the Minister's statutory discretion in deciding whether to impose anti-dumping measures. Of course, public interest considerations are relevant only where the other statutory requirements for the impostion of anti-dumping measures are satisfied, that is, where it is determined that dumping is occurring and causing material injury, because where such statutory requirements have not been satisfied, imposition of anti-dumping measures is impermissible.

On this basis, that is, that the statutory requirements for the imposition of anti-dumping measures have been satisfied, then the following public interest considerations are raised as relevant considerations to be taken into account by the Minister deciding whether to impose anti-dumping measures. For the avoidance of doubt, these public interest submissions are advanced strictly without prejudice to, and do not detract from, CCCME's position that imports from China have not caused material injury to the Australian industry.

（i） Necessity and Proportionality of Measures Is Questionable

In this case, overall demand in the FRW market is already on a clear downward trajectory. Comsteel's core difficulties are not confined to price pressure in isolated years, but are closely linked to long-term structural issues such as declining demand, high fixed costs, slow technological upgrading, and weak international competitiveness. Although imposing high duties might offer Comsteel some short-term relief at the price level, such measures cannot, by themselves, improve its production efficiency, technological capability, cost structure, or global competitiveness.

If the measures merely raise the cost of imports and provide Comsteel with de facto "high-price protection" in the domestic market—without incentivising necessary technological upgrading and managerial reform—then such "protection" would essentially delay needed structural adjustments. Particularly if high duties significantly crowd out Chinese imports, Comsteel could obtain an effective domestic monopoly, sharply increasing its bargaining power

while reducing its incentives to improve efficiency and lower costs. This outcome would be detrimental not only to downstream users but also to the long-term development of a genuinely competitive Australian manufacturing base, and would run counter to the public interest objective of enhancing overall economic efficiency and competitiveness.

（ii） Cost and Safety Implications for Downstream Mining and Railway Users

Freight railway wheels are critical inputs for Australia's mining and rail transport systems. As analysed earlier, the FRW products under investigation—36-tonne axle-load wheels—are primarily used in heavy-haul iron ore trains. The core downstream users are a small number of large mining companies and their affiliated railway operators. These users depend on large volumes of wheels and frequent wheel replacement to maintain daily operations. Although FRW costs do not dominate total operating expenses, any significant increase in upstream input costs—given the current pressure from global resource price volatility—directly squeezes mining company margins.

If high duties are imposed on Chinese wheels, downstream users—whether switching to Comsteel or otherwise—would face a general upward shift in domestic wheel prices. In international commodity markets such as iron ore, these costs cannot easily be passed downstream, thereby weakening the profitability and competitiveness of Australian mining companies. Cost pressure also creates incentives for operators to extend wheel life, reduce preventive maintenance, or delay replacement.

Notably, public information from the record of Case 466 indicates that certain mining companies previously deferred wheel replacement to control costs, which resulted in wheel-hub failures and other safety incidents. As freight railway wheels are safety-critical components, systemic extension of usage cycles to save costs materially increases the risks of wheel fatigue failure, track incidents, and even derailments. These risks affect not only business operations but also public safety.

It is also important to emphasise that publicly available information shows Chinese wheels have performed well over many years in actual Australian operations and have not been proven inferior in quality or durability to locally produced wheels. In contrast, Comsteel's wheels have

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recorded past failures, and concerns regarding reliability have historically influenced some mining users to diversify suppliers and procure from China. If high duties significantly reduce or eliminate Chinese supply and leave Comsteel as an almost single supplier, downstream users would face heightened operational and safety risks should any quality issue or production interruption occur at Comsteel, given the absence of alternative sources. Such an outcome would be contrary to the public interest.

（iii） Negative Effects on Supply Chain Resilience, Competition, and Innovation

From the perspective of supply chain security and market competition, maintaining diversified sources of supply is itself an important public interest objective. Imposing high duties on a key industrial input is likely to leave Comsteel as the near-monopoly supplier in the domestic market.

In such a single-source environment, any disruption in Comsteel's production—due to equipment failure, labour disputes, natural disasters, or other contingencies—would limit Australia's ability to quickly obtain alternative supply from overseas. This could result in serious disruptions to rail freight operations, mining logistics, port loading schedules, and even government revenue.

Moreover, Australia's geographic scale and the remoteness of key mining regions mean that Comsteel's plant location and logistics capacity may not be able to meet sudden surges in demand, particularly in Western Australia. Removing import channels would therefore materially reduce the resilience of the national supply chain.

A reduction in competitive pressure would also weaken incentives to innovate. In the previous case, downstream users explicitly expressed concern that, if Comsteel became the sole supplier, pricing discipline and incentives for technological improvement would diminish. By contrast, Chinese producers have made substantial investments in automation and large-scale manufacturing, consistently improving quality and reducing costs. If high duties effectively block competition from such producers, domestic suppliers may fall further behind in technology and efficiency, leading to a protected but stagnant market structure.

Public interest evaluation should not focus solely on the short-term financial performance

of a single upstream producer, but on the efficiency and innovation potential of the entire value chain. A high-cost, low-competition, protection-driven market structure cannot be regarded as consistent with Australia's broader economic interest.

（iv） Overall Impact on Employment and Investment

From an employment and investment perspective, anti-dumping/countervailing measures may nominally "protect" a limited number of local jobs at Comsteel, but only by sacrificing much broader employment and investment opportunities in downstream sectors.

Mining, rail transport, and port logistics contribute vastly more to the Australian economy than a single wheel manufacturer in terms of employment, capital expenditure, and tax revenue. If wheel costs rise sharply and compress mining margins, planned expansion, equipment upgrades, and rail infrastructure maintenance or extension projects may be delayed or reduced, constraining job creation in construction, manufacturing, and services. Higher transport costs may also weaken the international price competitiveness of Australian mineral products, affecting mine life cycles and long-term operating plans, with downstream implications for employment and fiscal revenue.

These "opportunity costs", though harder to quantify in the short term, are essential to proper public interest assessment. By comparison, the scale of Comsteel's alleged injury in production and profits is relatively limited and cannot demonstrate that high-duty protection for this single upstream firm would yield a net economic benefit.

The CCCME therefore submits that, before considering the adoption of measures, the Commission should assess the interests of downstream users, supply chain security, competition, employment, and investment; fully recognise the limited marginal effectiveness of anti-dumping/countervailing duties in this case; and carefully weigh the significant potential side effects. Only after such comprehensive consideration should the Commission determine whether imposing duties on Chinese products is necessary.

The CCCME submits that, rather than relying on high-duty protection, maintaining diversified sources of supply and encouraging domestic firms to undertake needed reform and upgrading is a more effective way to enhance the efficiency and security of the entire industrial

chain. This approach better serves Australia's long-term public interest and overall economic welfare.

VII. Conclusion

In summary, the CCCME submits that this case suffers from significant deficiencies in multiple essential aspects, including transparency of information, product scope and model classification, analysis of import volume and price effects, assessment of domestic industry injury and causation, and evaluation of public interest. The evidence currently available is insufficient to demonstrate that the alleged injury suffered by Comsteel was caused by dumped or subsidised imports from China. Specifically, Comsteel has not provided, in the public file, sufficient information to enable interested parties to form a reasonable understanding of, or to substantiate, its claim of experiencing serious operational difficulties. Additionally,, even assuming that certain difficulties indeed exist, the record indicates that these difficulties stem largely from multiple non-import-related factors—such as a significant contraction in market demand, a highly rigid cost structure, insufficient efficiency and technological upgrading, weak export competitiveness, and rising factor costs—rather than from Chinese imports.

Furthermore, imposing high duties on Chinese freight railway wheels would increase costs for downstream mining and rail users, weaken supply chain resilience, and suppress competition and innovation, and therefore cannot be regarded as consistent with Australia's broader public interest.

In conclusion, the CCCME submits that the current information and evidence disclosed clearly fails to meet the basic legal requirements under Article 5.8 of the Anti-Dumping Agreement and relevant provisions of Australian domestic law concerning sufficiency of evidence, assessment of injury and causation, and public interest. The materials currently available do not demonstrate that dumped or subsidised imports from China have caused injury to the Australian industry "through the effects of dumping/subsidy", nor do they establish a public interest basis for the adoption of measures. Therefore, the CCCME considers that this case does not warrant continuation of the investigation or the imposition of measures, and respectfully requests that the Commission, after a comprehensive and objective review of the

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facts and legal considerations outlined above, give due consideration to terminating the investigation in accordance with the applicable rules.

If there are any questions, please contact us.

Yours sincerely,

Jian Guan

Partner of Beijing Grandwin Law Firm