



Verification file note Austeel Trading Pty Ltd

Continuation inquiry 689

Precision pipe and tube steel (PP&T) exported from the People's Republic of China (China) and the Republic of Korea (Korea)

Inquiry period: 1 July 2024 to 30 June 2025

Injury analysis period: from 1 July 2021

An onsite verification of Austeel Trading Pty Ltd (Austeel Trading) was conducted.

Austeel's response to the Importer Questionnaire (RIQ) was verified.

| | Location | Date(s) |
|-------------------|---|------------------|
| Data verification | 160 Ingram Rd Acacia Ridge, QLD 4110 | 18 February 2026 |

The commission is publishing this file note to communicate the commission's verification findings. The commission conducted the verification, in line with the commission's verification procedures outlined in [Anti-Dumping Notice \(ADN\) 2016/30](#)¹.

Finding 1: Assessment of Austeel Trading's data

The commission has verified the data Austeel Trading submitted is complete, relevant and accurate for use in Continuation inquiry 689.

Identified exceptions were immaterial and resulted from formula or collation errors. These exceptions were easily corrected.

Austeel Trading did not make a submission responding to Orrcon Manufacturing's (Orrcon) submission² to change the order of the MCC categories listed in the initiation notice³.

Finding 2: Austeel Trading is not the importer of the goods

The commission finds that Austeel Trading plays an administrative role in the importation of PP&T. Acting as an agent, Austeel Trading is not the beneficial owner of PP&T. The beneficial owner of the PP&T, on balance, appears to be Austube Mills Pty Ltd (ATM), a related party of Austeel Trading.

The commission's *Dumping and Subsidy Manual, December 2021* (the Dumping Manual)⁴ describes the definition of 'Importer' at section 269T(1) of the *Customs Act 1901* (the Act).

the beneficial owner of the goods at the time of their arrival within the limits of the port or airport in Australia at which they have landed.

¹ The commission's website at www.adcommission.gov.au.

² Electronic Public Record (EPR 689) – [document 4](#).

³ EPR 689 – [document 2](#).

⁴ Available on the [commission's website](#).

The beneficial owner is considered to be the one who was entitled to all the benefits associated with ownership even though they may not be the legal owner of the goods.⁵

In other words, the beneficial owner assumes the economic benefit, control, risk and entitlement of ownership of the imported goods at the time of entering Australia. To make the assessment of beneficial ownership, the commission considered the intent and operations of Austeel Trading and if it had an interest in acquiring and disposing of the goods for commercial benefit.

Some factors indicate that Austeel Trading may be the beneficial owner and importer of PP&T. These factors include identifying Austeel Trading as:

- the buyer of PP&T on commercial invoices between it and Dalian Steelforce Hi-Tech Co., Ltd (Dalian Steelforce).⁶ Austeel Trading pays Dalian Steelforce for the goods.
- the consignee of the goods on the Bill of Lading and the responsible party for paying the invoices for ocean freight, port and handling expenses, interim dumping duty (IDD) and some inland freight expenses⁷ from the port of arrival to the distributor customer in Australia.
- the importer of PP&T as self-declared in the ABF import database.

Austeel Trading is also responsible for:

- managing the broker/freight forwarder relationship and being the point of contact for the goods while they are on the water.
- performing administrative functions such as compiling and maintaining price lists for the goods.

These factors are not determinative and identify Austeel Trading having a role in facilitating the *process* of importing the goods, but not necessarily of having an *economic interest in the goods*.

For example.

Austeel Trading does not appear to control the supply chain.

Austeel Trading does not appear to control or benefit from the end customers or distribution channels, as it did not direct where the PP&T is delivered or how the PP&T is sold in Australia. The distributor customers in Australia derive the benefit of controlling the PP&T and receiving the profits when sold in the Australian market.

Austeel Trading does not appear to control the terms of the sale:

- between it and Dalian Steelforce
- between it and related and unrelated distributors in Australia.

In other words, Austeel Trading does not have an interest in the price or the benefits of price-setting (ie. profit).

Austeel Trading did not make decisions about the price it paid for PP&T - it did not assess or agree to Dalian Steelforce price offers – this task was performed by ATM. ATM is also an importer of hollow structural sections (HSS) from Dalian Steelforce.

The price of PP&T from Austeel Trading to related and unrelated distributors is not set according to market conditions in Australia (including an amount for profit). The price is set by reference to the cost of the goods from Dalian Steelforce and (some of) the importation expenses.

Austeel Trading are not economically independent, as it did not pay for or account for its staff and operating costs – these were paid and accounted for by ATM. As such, it does not assume the financial and commercial risks for the importation.

Based on the circumstances of the importations, on balance, Austeel Trading's role is to support its related distributors to import PP&T, acting as an agent with operations support from ATM.

⁵ The [Dumping Manual](#), p.23 refers.

⁶ Dalian Steelforce is the related exporter of PP&T from China.

⁷ The commission requested source documents for imports of PP&T. Some of the samples identified ATM as the party responsible for arranging and paying for Inland freight from the port of arrival in Australia to the warehouse of the distributor customer. ATM is a related party in the Infrabuild Pty Ltd (Infrabuild) group.

Finding 3: Austeel Trading's sales of like goods from China to related distributors are not arms length

The commission finds that Austeel Trading's PP&T prices to related distributors appeared to be influenced by the commercial or other relationship between Austeel Trading and its related distributor customers in the inquiry period.

The commission found no evidence that:

- there was any consideration payable for, or in respect of, the goods other than its price
- the buyer, or an associate of the buyer, was directly or indirectly, reimbursed, compensated or otherwise received a benefit for, or in respect of, whole or any part of the price.

The price-setting mechanism of the goods from Austeel Trading to related distributor customers, excluded:

- real bargaining between Austeel Trading and the related customers
- price variations (AUD/MT) based on product specification e
- an amount for Austeel Trading's SG&A (accounted and paid for by ATM)
- an amount for profit.

In other words, Austeel Trading's price excludes the usual elements (bargaining, cost covering and profit) that an arms length price entails. The commission also found (below at Finding 6) that Austeel Trading's transactions to related distributors are not profitable.

Finding 4: Austeel Trading's sales of like goods from China to unrelated distributors are not arms length

Austeel Trading also sold PP&T to unrelated distributors in the inquiry period. The available evidence suggests that the price of PP&T from Austeel Trading to unrelated distributors in Australia is not arms length.

The commission assessed Austeel Trading's price-setting mechanism and found that Austeel's price-setting to unrelated distributors was like sales to related distributors.

For sales to unrelated Australian distributors, the commission found no evidence that:

- there was any consideration payable for, or in respect of, the goods other than its price
- the price appears to be influenced by a commercial or other relationship between the buyer, or an associate of the buyer, and the seller, or an associate of the seller
- the buyer, or an associate of the buyer, was directly or indirectly, reimbursed, compensated or otherwise received a benefit for, or in respect of, whole or any part of the price.

Sales to unrelated distributors are also not profitable.

Finding 5: Austeel Trading's purchases of like goods from China are not arms length

The commission finds Austeel Trading's purchases of PP&T from Dalian Steelforce are not arms length. The commission considers that the price appeared to be influenced by the commercial or other relationship between Austeel Trading and Dalian Steelforce in the inquiry period.

The commission found no evidence that:

- there was any consideration payable for, or in respect of, the goods other than its price
- the buyer, or an associate of the buyer, was directly or indirectly, reimbursed, compensated or otherwise received a benefit for, or in respect of, whole or any part of the price.

The commission examined the price-setting evidence between Dalian Steelforce and ATM (via Austeel Trading) and found that:

- the monthly price-setting emails between Dalian Steelforce and ATM quoted an FOB price for the goods that was materially higher than the FOB price on the Dalian Steelforce invoice.
- the Dalian Steelforce FOB invoice price was immaterially different to the price in ATM's ordering system, which demonstrated that there was no price variation per product per order during the inquiry period and for forward orders (after the inquiry period).
- the data suggests that real bargaining does not occur between Dalian Steelforce and ATM as the price is fixed, regardless of product specification, changes in raw material costs or time. This is despite the emails between Dalian Steelforce and ATM that appeared to show price consideration.

- As Dalian Steelforce exclusively export PP&T to related parties in the Infrabuild group, the commission considers that this price-setting mechanism occurs because of the commercial or other relationship between Dalian Steelforce and its related parties in the Infrabuild group.

Finding 6: Austeel Trading is not profitable on sales of like goods from China

Austeel Trading’s sales were not profitable and not recoverable in the inquiry period.

The profitability of selected shipments was assessed by comparing the revenue to the cost to import and sell (CTIS) for each shipment. Each selected shipment can be compared to a sale.

The commission’s assessment of the profitability of Austeel’s imports is at Table 1.

| Shipment | Profitable (Y/N?) |
|---------------------------------------|-------------------|
| 1 | Yes |
| 2 | No |
| 3 | No |
| 4 | No |
| 5 | Yes |
| 6 | No |
| 7 | Yes |
| 8 | No |
| 9 | Yes |
| 10 | Yes |
| 11 | No |
| 12 | Yes |
| 13 | Yes |
| 14 | Yes |
| Weighted average all shipments | No |

Table 1: Profitability of Austeel’s imports

Finding 7: Export price assessment

Dalian Steelforce is the exporter of PP&T to Australia

The commission considers Dalian Steelforce is the exporter of the goods, as Dalian Steelforce is:

- the manufacturer of PP&T
- named on the commercial invoice and packing lists
- named as consignor on the bill of lading
- a principal in the transaction located in the country of export from where the goods were shipped and who knowingly placed the goods in the hands of a carrier, courier, forwarding company, or their own vehicle for delivery to Australia.⁸

Austel Trading is not the importer of PP&T. Austel Trading is an agent acting on behalf of, and in conjunction with, steel distributors in the Infrabuild group.

Export transactions from Dalian Steelforce to related Infrabuild distributors and unrelated distributors, via Austel Trading are not arms length

Export transaction from Dalian Steelforce, via Austel Trading are not arms length and Austel Trading is an agent that facilitates the importation of PP&T but is not the importer.

The importers of the goods are the related and unrelated distributors in Australia.

The commission cannot calculate the export price of the goods under sections 269TAB(1)(a) or 269TAB(1)(b) of the Act, as both sections require the export transactions to be between the exporter and the importer. The commission considers that these sections do not apply to the export transactions between Dalian Steelforce (the exporter) and Austel Trading (the intermediary agent).

The commission considers section 269TAB(1)(c) is the appropriate section to calculate the export price. This section considers all the circumstances of the exportation.

A deductive export price calculation method should be used to calculate the export price for all export transactions. The calculation inputs for exports sales are at Table 2 below.

| | | Related distributors (non-arms length) | Unrelated distributors (non-arms length) |
|--|---|--|--|
| Base price (AUD/MT) | Sales by related distributors to unrelated customers in Australia | ✓ | ✗ |
| | Sales by Austel Trading to unrelated customers in Australia | ✗ | ✓ |
| Deduction 1: Net profit (distributor) | Distributor's profit on sales in Australia | ✓ | ✗ |
| Deduction 2: Inland freight (distributor) | From warehouse to unrelated customer | ✓ | ✗ |
| Deduction 3: Overheads (distributor) | Warehousing costs and SG&A | ✓ | ✗ |
| Deduction 4: Net profit (Austel Trading) | Austel was unprofitable and non-recoverable | ✗ | ✗ |
| Deduction 5: Import costs | Ocean freight, marine insurance, port & handling, inland freight from port to Australian customer – paid by Austel Trading and/or ATM | ✓ | ✓ |
| Deduction 6: SG&A | Austel Trading SG&A paid for by ATM | ✓ | ✓ |

Table 2: Deductive export price calculation inputs

⁸ The [Dumping Manual](#), p.23 refers to the commission's definition of the exporter.