

April 20, 2026

Anti-Dumping Commission
Investigations 4
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Public File

Dear Director,

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

1. Introduction

The Commonwealth Steel Company Pty Ltd (**Comsteel**) refers to the submission dated 7 April 2026 by Gemco Rail Pty Ltd (**Gemco**)¹ in which it contends that its imports of cast steel railway wheels from Xinyang Amsted Tonghe Wheels Co., Ltd (**Amsted**) fall outside the scope of the goods under consideration (**GUC**) in Investigation No. 690 (**INV 690**).

Comsteel opposes the Gemco Submission and respectfully requests that the Commission reject the contention that cast steel railway wheels are excluded from the GUC. This submission sets out the basis for Comsteel's position.

2. Interpretation of the goods description

Anti-Dumping Notice 2025/128 defines the GUC as follows:

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

The Further Information accompanying the goods description provides that the railway wheels have the following ...*typical*... characteristics, including that they ...*are manufactured using a forging and rolling process in accordance with defined standards*...

Comsteel submits that the use of the word "typical" in the Further Information is significant and deliberate. "Typical" means characteristic or usual, rather than mandatory, exclusive or definitive. The Further Information describes the usual characteristics of FRW as they are commonly encountered in the Australian market. It does not establish a closed or exhaustive set of mandatory criteria that must all be satisfied for a product to fall within scope.

¹ EPR folio no. 20, available here: https://www.industry.gov.au/sites/default/files/adcom/public-record/2026-04/690-20-submission-importer-gemco-rail-pty-ltd-submission-on-exemption-from-goods-under-consideration_0.pdf

The Further Information also states that:

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

This overarching functional description is the unifying characteristic of the GUC. The manufacturing process reference in the typical characteristics is illustrative of this broader functional description. It reflects what Comsteel's own FRW and typical imports looked like at the time of application, not an intention to exclude other FRW that perform the identical function in the identical application.

Comsteel submits that the Anti-Dumping Commission (**the Commission**) is not bound to interpret the goods description in a manner that elevates one illustrative characteristic over the evident purpose and scope of the description as a whole. A holistic and purposive interpretation is consistent with the object of Part XVB of the *Customs Act 1901 (the Act)*, which is to provide relief from material injury caused by dumped imports. An interpretation that permits directly competing goods to avoid measures by virtue of a minor process variation would defeat the statutory purpose.

3. Cast and forged/rolled wheels directly substitutable

Gemco's submission supports the inclusion of cast steel railway wheels within the scope of the GUC and confirms their direct substitutability with forged and rolled wheels. The Gemco submission states that the Amsted cast wheels:²

...are engineered for the demanding axle loads and low-to-medium speed operations typical of Australian mining and freight services.

Gemco then describes itself as:³

...a leading independent provider of cast steel wheelsets to major Australian freight companies like SCT Logistics.

Gemco's statements therefore confirm that:

- its cast steel wheels are designed for, and used in, the same freight railway end-use applications as Comsteel's forged and rolled wheels;
- the cast wheels are sold to the same FRW customer base, including customers that have historically purchased, and continue to purchase, forged and rolled wheels;
- the cast wheels meet the same operational requirements, including axle load specifications, as the forged and rolled GUC; and
- the products are commercially interchangeable in the Australian FRW market.

The fact that the two products are manufactured in fundamentally the same way, with the only difference being how the final metallurgical properties are delivered – either through combined forging and heat treatment, or heat treatment only through casting – does not negate their substitutability. The relevant question for the Commission is whether the goods compete in the same market, serve the same function, and are purchased by the same customers. Gemco's submission confirms this to be the case.

² Ibid, p. 2, para. 2.7.

³ Ibid, p. 1, para. 1.4.

4. Material injury

Comsteel has [**confidential text deleted: details of cast wheel imports displacing Comsteel FRW supply over the injury assessment and investigation periods**].^{4 5}

The displacement during the inquiry period confirms that the cast steel wheels imported by Gemco are not *...separate and well-established product category...* as characterised in the Gemco submission.⁶ They are a directly competing product that has taken sales from the Australian industry in the same market. If these goods are excluded from the scope of measures, the injury caused by their importation at dumped prices will continue and the intended effect of any measures imposed on forged and rolled wheels will be significantly undermined.

5. Circumvention concerns

The Commission's acceptance of Gemco's position would create an immediate pathway for Chinese exporters to circumvent any interim dumping and countervailing measures imposed on forged and rolled FRW.

Chinese steel manufacturers have a demonstrated capacity to manufacture both cast and forged railway wheels. Where measures apply only to forged and rolled wheels, there is a clear commercial incentive for exporters and importers to shift procurement to cast wheels and avoid the measures.

Comsteel submits that the Commission should have regard to this circumvention risk when considering the proper interpretation of the GUC. An interpretation that facilitates avoidance of the intended effect of measures is inconsistent with the objects of Part XVB and with the Commission's obligation to ensure that measures are not undermined.

6. Gemco's claims

Gemco's submission asserts that the forged and rolled process is an *...essential characteristic...* of the GUC.⁷ Comsteel disagrees with this characterisation. The essential characteristics of the GUC are functional, being railway wheels of specified dimensions, manufactured from high carbon steel, suitable for freight railway service at specified axle loads. The manufacturing process is one of several *typical* characteristics identified in the Further Information, not the sole or defining feature of the goods.

Gemco's submission describes the cast wheel manufacturing process as involving casting, heat treatment, and machining to final dimensions.⁸ Comsteel notes that this process shares common elements with the manufacture of forged and rolled wheels, and that they are not fundamentally distinct as claimed. Both commence with molten steel in the required chemistry, and whether by then deforming a solid (forging) or pouring liquid metal into a mould (casting), both processes share the same overarching goal: shaping the metal to achieve near-net geometry at high temperatures while controlling material properties and final quality. Wheels produced by both methods also need the following finishing steps:

- heat treatment;
- machining;
- surface finishing; and
- inspection.

Therefore, railway wheels manufactured by either forging or casting share a common origin and converge in the finishing process.

⁴ Refer Confidential Attachment 1.

⁵ Refer Confidential Attachment 2.

⁶ Ibid, para. 2.5.

⁷ Ibid, para. 2.1

⁸ Ibid, para. 2.5.

On a technical front, Gemco seeks to distinguish Amstead's goods by reference to AAR (Association of American Railroads) Quality Assurance Specification M-1003.⁹ To assist the Commission, M-1003 is a facility-level manufacturing certification, and is a baseline market access requirement for any producer of steel railway wheels seeking to supply goods in regulated markets. Comsteel holds this certification. It is not a differentiating factor.

Gemco's submission also acknowledges that cast steel wheels meet *...rigorous international standards for freight service...*¹⁰ This further confirms that the cast wheels are fit for the same purpose as the GUC and are not a different category of product. Rather, they are both railway wheels, manufactured to meet international standards, used in freight transport. This is the functional description of the GUC.

7. Conclusion

For the aforementioned reasons, Comsteel submits that:

- the GUC should be interpreted holistically and purposively, with the *typical* characteristics in the Further Information understood as illustrative rather than as mandatory criteria for scope;
- cast steel railway wheels are directly substitutable with forged and rolled railway wheels in the Australian freight wheels market, as confirmed by Gemco's submission;
- Gemco's cast steel wheel imports have directly displaced Comsteel sales;
- excluding cast steel wheels from the scope of measures would create a clear and immediate circumvention pathway undermining the intended effect of any measures; and
- the Commission should not confirm that the Gemco's are excluded from the GUC.

FOR AND ON BEHALF OF

Commonwealth Steel Company Pty Limited

THE AUSTRALIAN INDUSTRY APPLICANT

⁹ Ibid, para. 2.6.

¹⁰ Ibid, para. 2.13.