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The Director - Investigations
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601

Re: Case Number 692 – Welded steel mesh sheets

**Investigation into certain welded steel mesh sheets
exported from the People's Republic of China**

Dear Director,

We act on behalf of Beijing Xingtai Steel Weldmesh & Technology Development Co., Ltd. (“Xingtai”), a leading Chinese producer and exporter of welded steel mesh sheets. Xingtai has been actively participating in Investigation No. 692 as a cooperative exporter, having submitted a detailed exporter questionnaire response and engaged fully with the Commission’s processes, including recent verification. This submission responds directly to the letters dated 28 April 2026 from Wire Industries Pty Ltd and Bestbar Pty Ltd (collectively, the “domestic producers”), which urge the Commission to publish a Preliminary Affirmative Determination (PAD) prior to the Statement of Essential Facts (SEF) and to consider retrospective measures.

Xingtai strongly opposes the domestic producers’ request for the early publication of a PAD. We respectfully urge the Commission not to publish a PAD at this stage of the investigation. The claims advanced in the 28 April 2026 submissions are insufficient, unsubstantiated, and fail to establish the legislative prerequisites for a PAD under the Customs Act 1901 (the “Act”). They consist primarily of generalised assertions of “material injury” and import volume increases without the required positive evidence of a causal link to dumping or subsidisation, as mandated by the Act, the Anti-Dumping Commission Manual (the “Manual”), and Australia’s WTO obligations. Proceeding to a PAD on the basis of these submissions would be premature and procedurally unfair.

1. Domestic producers’ claims

The domestic producers’ 28 April 2026 letters reference their earlier Australian Industry Questionnaire responses and highlight alleged record import volumes from China in January 2026 (9,500 tonnes) and February 2026 (12,800 tonnes) in the “first two months following commencement of the mesh investigation”. They claim that these volumes are “exacerbating serious and material injury” to operations and “undermining future investment” in mesh manufacturing and upstream steel production. They request a PAD before the SEF, or at minimum advice to importers regarding potential retrospective measures, and assert a risk to

the viability of domestic reinforcing mesh manufacturing, with potential divestment of assets and a shift to import-based models.

These submissions add little new evidence and, importantly, do not provide any source or detailed breakdown for the import figures cited. They refer generically to “imports of steel mesh” without confirming whether the data relates precisely to the subject goods (i.e., welded mesh sheets with wire diameters of 3mm to 14mm). This lack of specificity is material given that import statistics for “welded mesh of wire >3mm” (the closest available category encompassing the subject goods) show that Chinese imports in January 2026 totalled [REDACTED] tonnes, falling sharply to only [REDACTED] tonnes in February 2026.¹ This directly contradicts the domestic producers’ claim of a continuing surge into February and raises serious questions about the accuracy and reliability of the data relied upon in their letters.

These submissions therefore provide an incomplete and potentially misleading picture of market developments. They do not provide detailed, verified data on price undercutting, lost sales, profitability declines attributable to subject imports, or any objective analysis isolating the effects of alleged dumping from other market factors.

2. Claims are inadequate and do not justify a PAD

A PAD is not a routine or automatic step in anti-dumping investigations. Rather, it requires the Commissioner to be satisfied, on the basis of positive evidence and an objective examination, that there are reasonable grounds to believe that dumped or subsidised imports have caused or threaten material injury to the Australian industry, having regard to the principles in sections 269TDA and 269TAE of the Act. The Commission’s Manual emphasises that provisional measures, including securities following a PAD, are serious interventions that should only be taken where the preliminary evidence clearly supports the necessary findings.

The domestic producers’ submissions fall well short of this statutory and evidentiary threshold. They rely on raw import volume data without any corresponding evidence of dumped pricing, price suppression or depression, or specific lost sales and margin erosion that can be directly linked to those imports.

In particular, the claimed “surge” in imports from China in January 2026 and February 2026 simply reflects goods entered for home consumption in those months. Given the normal lead times between order placement, production and sea freight from China (typically 3 months), these volumes stem overwhelmingly from orders placed in October and November 2025, well before the investigation was initiated on 25 November 2025. This timing is entirely consistent with normal seasonal inventory build-up by importers and construction customers ahead of the Christmas and New Year holiday period, when building activity traditionally slows. The domestic producers’ characterisation of these volumes as a post-investigation rush intended to avoid provisional measures is deliberately disingenuous and self-serving. It misrepresents ordinary, predictable market behaviour as some nefarious attempt to evade duties, in an effort to pressure the Commission into imposing premature securities and considering retrospective measures.

Moreover, the domestic producers’ claims of material injury and supply pressure completely ignore critical recent domestic production disruptions that have affected the entire supply chain and Australian market more broadly. As widely reported in the *Australian Financial Review* on 27 April 2026², the Whyalla steelworks blast furnace and mill were unexpectedly

¹ Confidential Attachment A – Import Statistics

² [Whyalla steelworks five-week shutdown causes chaos for builders](#)

shut down for unscheduled maintenance from early April 2026 and remains offline. This shutdown has halted shipments of steel billet from Whyalla, directly constraining InfraBuild's production of reinforcing bar and wire rod, the essential raw materials for welded steel mesh manufacturing.

Importantly, Grant Johnston, Chief Executive of WestView Group (operator of Bestbar), is quote in the article as describing it as "a big issue" for the construction industry and warned of impending shortages of reinforcing products by late May. This significant domestic supply shock constitutes a textbook "other known factor" under section 269TAE(2A) of the Act that must be carefully separated from any effects of imports. Yet the domestic producers make no attempt whatsoever to address or disentangle this factor from their generalised claims of injury.

In addition, it is understood that InfraBuild, the main applicant of the dumping investigation, was sourcing significant volumes of feed material from the Middle East to supplement local supply constraints. This alternative sourcing has now effectively ceased due to the ongoing closure of the Strait of Hormuz amid the regional conflict, further exacerbating domestic supply shortages. These multiple, simultaneous disruptions to InfraBuild's supply chain have already started having a material impact on the Australian market conditions today, which has led to widespread concerns amongst all market participants about continuity and certainty of supply.

These disruptions to InfraBuild's own supply chain constitute major "other known factors" under section 269TAE(2A) of the Act. Yet the domestic producers make no attempt whatsoever to address or disentangle these self-inflicted and external supply-side shocks from their generalised claims of injury caused by imports.

It is further understood that members of the domestic industry are themselves now importing welded steel mesh sheets, either directly or indirectly via traders, in order to address the very supply constraints currently being felt within the Australian market. This behaviour is entirely rational and reflects the reality that imported product is required to maintain continuity of supply for Australian builders and construction projects. It directly undermines any assertion that subject imports are causing material injury to the domestic industry. On the contrary, they are helping to fill a genuine supply gap created by domestic production shortfalls.

The letters also repeat generalised assertions of "significant loss of sales volume and margin" and "material injury" without any quantification, supporting financial data, or meaningful comparison to the full injury examination period. Finally, the submissions provide no analysis of market segmentation, prevailing demand trends in the Australian construction sector, or the role of non-subject imports, imports from Malaysia, or domestic supply constraints.

These fundamental deficiencies render the domestic producers' submissions wholly inadequate to support the publication of a PAD. Continuing the investigation through to the Statement of Essential Facts stage will allow for a comprehensive, evidence-based assessment, including full verification of exporter data, importer responses, and domestic industry financials. Any premature action would undermine the objectivity required by the Act and Article 3 of the WTO Anti-Dumping Agreement.

3. Failure to establish causation and non-attribution of injury

Even assuming for arguments sake that the domestic producers have experienced some volume or margin pressure, their submissions completely fail to demonstrate that any such injury is caused by the subject imports rather than "other known factors". The Commission is

expressly required to separate and distinguish the effects of dumped imports from other injury-causing factors, including changes in demand patterns in the building and construction sector, volatility in upstream steel prices and raw material costs, domestic industry capacity utilisation, investment decisions and operational efficiencies, competition from other subject (Malaysia) and non-subject sources, and any intra-industry dynamics among Australian producers, and broader economic conditions affecting construction activity.

In particular, the Commission must carefully disentangle the injurious effects of the current supply shortage stemming from the unexpected and extended shutdown of the Whyalla steelworks. This domestic production disruption, which has halted billet shipments and constrained the supply of wire rod essential for mesh manufacturing, reflects an obvious “other known factor” whose effects cannot simply be attributed to the subject imports. The domestic producers’ submissions contain no such disentanglement. Bestbar’s reference to a “significant change in industry dynamics in the last four months resulting in a review of our operational assets, particularly in Victoria and NSW” suggests internal strategic or operational considerations unrelated to imports. Wire Industries’ broader claims about “undermining future investment in both mesh manufacturing and upstream steel production” similarly lack any causal attribution analysis.

WTO jurisprudence, including *US – Hot-Rolled Steel* (WT/DS184/AB/R) and *EU – Footwear (China)* (WT/DS405/R), underscores that aggregated or unsubstantiated claims that fail to isolate effects violate non-attribution requirements. The Commission must not attribute injury from other factors to the subject imports. The domestic producers’ submissions provide no basis for doing so at the preliminary stage.

4. Retrospective measures are neither appropriate nor warranted

The domestic producers further urge the Commission to advise importers that the Commissioner has the power to recommend retrospective measures where appropriate. This request is both premature and misconceived. Retrospective application of anti-dumping or countervailing duties is an exceptional remedy under the Act, and is strictly circumscribed by Australia’s obligations under Article 10.6 of the WTO Anti-Dumping Agreement. It is available only where **both** of the following cumulative conditions are satisfied:

1. there have been massive dumped (or subsidised) imports in a relatively short period which are likely to seriously undermine the remedial effect of any definitive anti-dumping (or countervailing) duty to be imposed; and
2. the importer knew, or ought to have known, of the dumping (or subsidisation) and that it would cause injury.

Neither condition is met on the facts of this case.

First, the official import statistics for welded mesh of wire >3mm categorically demonstrate that there have not been “massive imports in a relatively short period”. Chinese import volumes followed a steady upward trend throughout 2025, rising from ████████ tonnes in January 2025 to peaks of ████████ tonnes in October 2025 and ████████ in December 2025. The January 2026 volume of ████████ tonnes, while elevated, represents a continuation of this pre-existing trend rather than any sudden post-initiation flood.

Critically, February 2026 imports from China fell sharply to ████████ tonnes, almost exactly mirroring the seasonal pattern observed in 2025, when imports dropped from ████████ tonnes in January 2025 to just ████████ tonnes in February 2025. This confirms that the elevated December 2025 and January 2026 volumes reflect normal inventory build-up by importers and construction customers ahead of the traditional Christmas/New Year slowdown in

building activity. Once that inventory was drawn down in February 2026, import volumes returned to more moderate and consistent levels. These movements are entirely consistent with predictable seasonal demand patterns and the need to secure supply amid known domestic production constraints (including the Whyalla shutdown), rather than any attempt to evade provisional measures.

These volumes are consistent with normal market responses to known domestic supply disruptions (notably the Whyalla shutdown) and seasonal construction demand patterns, not a massive, duty-evading spike capable of undermining the remedial effect of any future measures. Moreover, any current supply pressure in the market stems overwhelmingly from the extended shutdown of the Whyalla steelworks, which has disrupted billet and wire-rod supply to domestic mesh producers. In these circumstances, imported mesh is performing a necessary role in maintaining continuity of supply for Australian construction projects rather than undermining the remedial effect of any future duties.

Second, importers could not possibly have “known or ought to have known” of any alleged dumping and likely injury at the time the relevant orders were placed. Xingtai strongly contends that its export prices are not dumped when properly compared with its domestic selling prices in the ordinary course of trade. In any event, the domestic producers’ claims of dumping rest entirely on the assertion that a “particular market situation” exists in China such that the exporters’ costs do not reasonably reflect competitive market conditions.

Determining whether such a situation exists, and then constructing an alternative normal value (often by reference to complex third-country benchmark costs or other surrogate methodologies), involves highly technical and contested assessments that the Commission itself only undertakes after detailed investigation and verification. It is therefore absurd and unreasonable to suggest that ordinary commercial importers, who have no access to the exporters’ full cost and pricing data or the Commission’s analytical methodology, ought to have known that the imports were dumped.

There is simply no realistic means for importers to perform or anticipate such intricate calculations. There is also no established history of dumping findings on welded steel mesh sheets from China that could have put the market on notice. The previous anti-circumvention inquiry (case 643) concerning welded mesh confirmed that imports of welded steel mesh sheets have been evident in the Australian market for over 20 years, with no accusations of dumping until this application was lodged in November 2025. In those circumstances, it is entirely reasonable for importers to have considered that their purchases over the past two decades were not dumped, given the complete absence of any previous applications or findings.

Retrospective duties are not available merely because an investigation has commenced; they require clear, positive evidence that importers were aware of injurious dumping before the goods were ordered. No such evidence exists here. Advising importers of the mere possibility of retrospective measures would create unnecessary commercial uncertainty, chill legitimate trade, and distort normal supply-chain behaviour at a time when the construction sector is already facing domestic production shortfalls. The Commission should firmly reject any suggestion of retrospective measures on the current record.

6. Conclusion

For the reasons set out above, Xingtai respectfully requests that the Commission:

- decline to publish a PAD on the basis of the domestic producers’ 28 April 2026 submissions, which lack sufficient positive evidence of dumping, material injury, and causation; and

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- proceed with the investigation in the ordinary course, allowing full consideration of all evidence, including cooperative exporter data, at the SEF stage;