

24 August 2026

The Director – Investigations 4
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601

Received 24 August 2026

Case 688 – Response to BlueScope's submission on the exemption of plate steel exceeding 3,200 mm in width

Dear Director,

We are Dongkuk Steel Mill Co., Ltd. (Dongkuk), an exporter of the goods under consideration from the Republic of Korea and an interested party to Investigation No. 688. This submission responds to the submission of BlueScope Steel Limited (BlueScope) dated 20 August 2026, which opposes Dongkuk's request of 13 July 2026 for the exemption of plate steel exceeding 3,200 mm in width (the exemption goods) under section 8(7)(a) of the Customs Tariff (Anti-Dumping) Act 1975 (Cth) (the Dumping Duty Act).

Nowhere in its four pages does BlueScope assert that it produces plate steel exceeding 3,200 mm in width, or that it offers such plate for sale. Its failure to answer the one thing only it could know about settles the exemption question.

BlueScope misstates the statutory criterion

Section 8(7)(a) of the Dumping Duty Act permits the Minister to exempt goods from interim dumping duty and dumping duty if satisfied "that like or directly competitive goods are not offered for sale in Australia to all purchasers on equal terms under like conditions having regard to the custom and usage of trade".

The Commission has stated the elements of that criterion in Report No. 238: "two key elements must be satisfied: 1) whether the Australian industry offers like or directly competitive goods to the goods being considered for exemption; and 2) if these are offered, whether the offer is made to all purchasers on equal terms under like conditions having regard to the custom and usage of trade."¹

BlueScope's submission substitutes a different test. It contends, repeatedly, that Dongkuk has not demonstrated that narrower domestic products are "incapable of achieving the same functional outcome", and that Dongkuk has not shown wide plate to be "uniquely required from a technical or engineering perspective". Neither formulation comes from the statute. Section 8(7)(a) does not ask whether the imported good is uniquely required, and it does not ask whether some combination of domestic products, worked on by a fabricator after sale, could be made to serve. It asks whether like or directly competitive goods are offered for sale, to all purchasers, on equal terms, under like conditions, having regard to the custom and usage of trade. The precise wording of the provision is the correct test, and BlueScope's rephrasing of it should not be used.

The rewording also goes too far. On BlueScope's approach, no dimensional exemption could ever be granted, because some form of fabrication can almost always be undertaken by which smaller products are cut, joined or worked into a larger one. That approach cannot stand with the Commission's practice, or with the five exemption notices currently in force in relation to these very goods.

¹ Report No. 238, Deep Drawn Stainless Steel Sinks Exported from the People's Republic of China, p.94.

BlueScope dismisses Dongkuk's reliance on the distinction between goods offered for sale and goods capable of being produced as a distinction that "does not assist its application". The distinction is not Dongkuk's invention. "Offered for sale" is the language Parliament chose. In any event, Dongkuk's request does not depend on the distinction, because the evidence establishes that BlueScope neither offers plate above 3,200 mm for sale, nor is capable of rolling it, and its own size schedules recording 3,200 mm as the limit of the plate mill.

What BlueScope proposes is not a good offered for sale

BlueScope submits that "[c]utting, forming, joining and welding are established fabrication methods used throughout the steel fabrication industry to produce steel components in the dimensions and configurations required by end users". Dongkuk does not dispute that welding is an established fabrication method. The observation is irrelevant to the legal point and concedes the factual one.

It is beside the statutory point because section 8(7)(a) is directed to goods offered for sale in Australia. A fabrication method is not a good. BlueScope does not assert that it offers for sale a butt-welded wide plate product. What it describes is an operation that a purchaser, having bought two or more narrower plates, would itself commission or perform. The good BlueScope offers remains plate at or below 3,200 mm in width. The welded article comes into existence only after sale, at the purchaser's cost and risk, through the work of a fabricator who is not the Australian industry. Whatever else may be said of that article, it is not a good "offered for sale in Australia to all purchasers on equal terms under like conditions".

It concedes the factual point because an argument that wide plate can be approximated by joining narrower plates proceeds from the premise that no wide plate is made or sold in Australia. BlueScope's own submission confirms the foundation of the exemption request.

A butt-welded assembly is not like, and not directly competitive with, one-piece wide plate

Even if the welded article is treated as the relevant comparison product, it is neither a like good nor a directly competitive good within the meaning of section 8(7)(a).

"Like goods" is defined in subsection 269T(1) of the Customs Act 1901 (Cth) as "goods that are identical in all respects to the goods under consideration or that, although not alike in all respects to the goods under consideration, have characteristics closely resembling those of the goods under consideration". The Commission's practice, applied to the section 8(7)(a) context in Report No. 238, assesses close resemblance by reference to physical likeness, commercial likeness, functional likeness and production likeness. The welded assembly fails each.

As to physical likeness, a one-piece plate is produced as a continuous plate through the rolling process. When two narrower plates are joined, an additional longitudinal butt weld, weld metal and a heat affected zone are introduced into the finished article. Even at the same steel grade and thickness, the resulting configuration is not technically identical to a one-piece plate. The welded article carries a structural discontinuity along its full length that the rolled product does not.

As to production likeness, the two articles are made by different processes under different standards regimes. AS/NZS 3678:2016 is a product standard covering the production and supply of hot-rolled structural steel plates.² Welding steel plates together to form a structural component is a fabrication activity governed by separate structural welding standards, principally AS/NZS 1554.1, which specifies its own requirements for weld preparation, weld

²AS/NZS 3678:2016, Structural steel – Hot-rolled plates, floorplates and slabs.

quality, qualification of welding procedures and welding personnel, fabrication and inspection.³ Producing the welded article requires edge preparation and bevelling, fit-up, welding, distortion and flatness control, and non-destructive testing in accordance with the applicable project specification. Achieving the required width by joining is a fabrication project, not a purchase.

As to functional likeness, an additional welded joint introduces a new structural detail that may require separate engineering assessment depending on the loading condition and application. For structures subject to significant cyclic or fatigue loading, additional requirements such as AS/NZS 1554.5 may need to be considered, and AS/NZS 3678 itself references AS/NZS 1554.5.⁴ The Manual is explicit that end-use "will not of itself establish like goods", illustrating the point with the observation that "both a shovel and an earthmoving machine can move earth". BlueScope's argument, which relies almost entirely on the claimed equivalence of "functional outcome", reverses the established position.

As to commercial likeness, the two articles are certified and warranted on different terms by different parties. For a one-piece plate, the steel manufacturer certifies the chemical composition, mechanical properties, dimensions and base material quality, and one party stands behind the product. Once welding is introduced, separate responsibility arises for welding procedures, welder qualification, weld inspection and the fabrication quality of the welded joint. The purchaser of a welded assembly does not receive a mill-certified product. It receives mill-certified base plates and a weld for which responsibility is divided among fabricator, inspector and designer.

AS/NZS 3678:2016 itself confirms the boundary between the two regimes. Clause 8.4 imposes controls even on the local weld repair of surface defects in supplied plate: a low-hydrogen welding process in accordance with AS/NZS 1554.1, freedom from lack of fusion, undercutting, cracks and other defects that may impair use, and a limit on the allowable repair area.⁵ The product standard treats even a minor repair weld as engaging a separate welding-quality regime. A longitudinal butt weld running the full length of a joined assembly lies wholly outside the product the standard contemplates supplying. BlueScope's statement that "[t]he existence of a weld or fabricated joint does not establish that a product is unsuitable, structurally deficient or commercially unacceptable"⁶ answers a point Dongkuk did not make. The submission is not that welded fabrications are deficient. It is that they are different articles, differently produced, differently certified and differently governed, and so neither like goods nor the same good.

BlueScope's remaining contention is that Dongkuk conflates "a preferred manufacturing input; a more efficient manufacturing input; and a necessary manufacturing input". This classification misdescribes Dongkuk's request. Dongkuk's case is not that wide plate is preferred or more efficient. It is that no like or directly competitive good is offered for sale in Australia at all, a proposition resting on BlueScope's own published size schedules and mill limitation. Preference and efficiency would matter if two offered goods were being compared. Here there is only one offering, and it stops at 3,200 mm.

As to direct competitiveness, Report No. 238 asks whether "a competitive commercial relationship exists between the goods in the marketplace having regard to the commercial uses of the products".⁷ There is no marketplace in which one-piece wide plate and the welded assembly compete, because the welded assembly is not offered in any marketplace. It does not exist until a purchaser causes it to be fabricated. What competes at the point of sale is

³ AS/NZS 1554.1, Structural steel welding – Welding of steel structures.

⁴ AS/NZS 1554.5, Structural steel welding – Welding of steel structures subject to high levels of fatigue loading; AS/NZS 3678:2016, which references AS/NZS 1554.5.

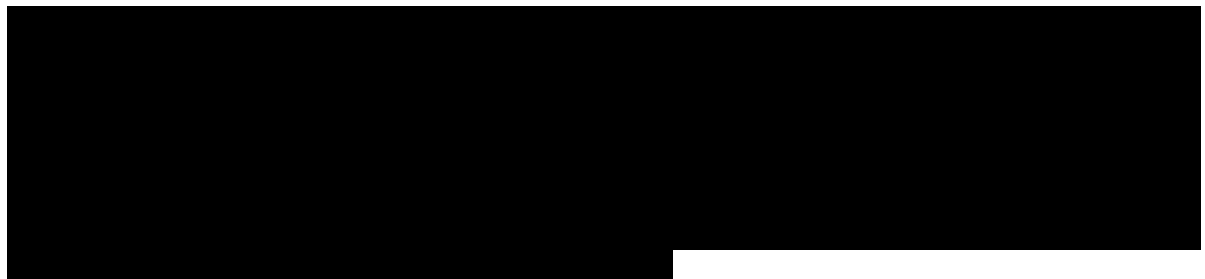
⁵ AS/NZS 3678:2016, Structural steel – Hot-rolled plates, floorplates and slabs, clause 8.4.

⁶ EPR 688 item 32, p.2.

⁷ Report No. 238, p.97.

BlueScope plate at or below 3,200 mm against imported one-piece plate above 3,200 mm, and those are different products for different requirements, as Dongkuk's submission of 13 July 2026 explained.⁸

Nor would the welded pathway, if pursued, be available "under like conditions having regard to the custom and usage of trade". When a project specification requires one-piece wide plate, the purchaser is not free to substitute a welded alternative. The applicable project specification and structural design requirements must be reviewed for welding procedure qualification, personnel qualification, inspection and non-destructive testing, structural and fatigue requirements and, where applicable, the prior approval of the responsible designer or end user. A purchaser of one-piece plate against a published size schedule needs none of that. The custom and usage of the plate trade is that purchasers buy to the dimensional ranges mills hold out for sale, and a substitute available only through engineering review and third-party approval is not offered on equal terms under like conditions.



[CONFIDENTIAL DETAILS OF FINISHED PRODUCT]

The Commission's practice

BlueScope submits that the exemption decisions relied on by Dongkuk turn on their own facts. They do, and the facts of the closest of them were BlueScope's.

In Report No. 190, interested parties sought relief for coated steel in widths beyond the capability of BlueScope's mill. The then Customs and Border Protection, after consulting BlueScope and the importing and manufacturing community, was "satisfied that BlueScope, while able to produce a broad range of widths and thicknesses of galvanised steel, is capable of manufacturing galvanised steel to a maximum width of 1550mm and a minimum thickness of 0.3mm and does not produce a product that is like or directly competitive with the imported

⁸ EPR 688 item 26, Section 3.

product for that application".⁹ It concluded that "galvanised steel outside of the dimensions capable of being produced by the Australian industry may be reasonable grounds for the Minister to consider an exemption from duties".¹⁰ Width beyond the outer envelope of this producer's mill was accepted as a proper foundation for exemption. It was not suggested that the availability of narrower coil, which could in principle be joined, answered the point.

The same report shows the Commission treating a mill's flat-rolled product and a welded article made from it as distinct products. On tailor-welded steel it recorded: "BlueScope has confirmed that it cannot manufacture tailor welded galvanised steel, however it does manufacture galvanised steel which may be further processed to produce welded steel (whether in sheets or customised form)".¹¹ Supplying feed material for a downstream welding operation was not equated with manufacturing the welded article. The logic applies here with the positions reversed. A welded fabrication made from BlueScope's narrower plate is not BlueScope's offering of wide plate.

Should BlueScope point to the outcome on tailor-welded steel, where an exemption was not recommended at that stage, the situations are not analogous. There, the imported good was itself the welded article, and an Australian tailor-welding industry produced that same article from domestic feed.¹² Here the exemption goods are one-piece hot-rolled plate, a mill product that no fabricator can produce from BlueScope feed by any process. Welding does not yield a one-piece hot-rolled plate. It yields a different article.

The SEF states the governing principle in clear terms that "The exemptions detailed above also demonstrate that where the Australian industry does not sell like goods in a certain production specification, the Minister may exempt imports from anti-dumping measures."¹³ That is this case, established not by Dongkuk's assertion but by BlueScope's published documents, and now by BlueScope's conspicuous silence on its own range.

Circumvention is speculative

BlueScope submits that a width-based exemption creates a risk of circumvention because plate exceeding 3,200 mm "may subsequently be cut, processed or fabricated into dimensions that compete directly with Australian-produced plate steel".¹⁴

The contention is advanced without evidence, and it is commercially irrational. Extra-wide plate is a specialised product commanding a price above standard-width plate, purchased for applications in which the width itself is specified. A purchaser who wants plate at or below 3,200 mm can buy it directly, from BlueScope against its published schedules or as an import bearing any duty imposed. No rational importer would pay the premium for extra-wide plate, plus the cost of cutting, to obtain a product available more cheaply without either. BlueScope identifies no instance of such conduct under the five exemption notices currently in force, several of which have operated for more than a decade.¹⁵

The exemption goods are defined by a single objective parameter, width exceeding 3,200 mm, recorded on mill test certificates and customs entry documentation and readily checked at the border. An exemption so confined leaves nothing to interpretation at entry.

If the theoretical possibility of downstream cutting defeated a dimensional exemption, no dimensional exemption could ever be granted, and the approach accepted in Report No. 190

⁹ Report 190, Zinc Coated (Galvanised) Steel and Aluminium Zinc Coated Steel Exported from the People's Republic of China, the Republic of Korea, and Taiwan, Section 7.3.1.3, pp 41–42.

¹⁰ Report 190, Section 7.3.1.3, p.42.

¹¹ Report 190, Section 6.6.1, p.34.

¹² Report 190, Section 7.3.1.2, p.41.

¹³ SEF 688, Section 3.8, p.27.

¹⁴ EPR 688 item 32, p.3.

¹⁵ SEF 688, Section 3.7, p.26, listing exemption instruments in force from 2014, 2015, 2017 and 2018.

would have been wrong. And should any actual circumvention activity emerge, the Act provides the remedy as Division 5A of Part XVB establishes anti-circumvention inquiries directed to precisely such conduct, including the slight modification of goods. A speculative risk, addressable through an existing statutory mechanism, is no reason to leave duties on goods that protect no Australian production.

The procedural objection is flawed

BlueScope submits that the exemption request came "at a late stage" of the investigation, too late for examination through earlier verification activities.

The request was lodged on 13 July 2026, within the period fixed for responses to the SEF, which is the opportunity the Act provides interested parties to respond to the Commission's preliminary findings. The SEF itself deals with exemptions and invites submissions on them. A party that takes up the invitation within the period allowed cannot be described as late.

The factual matters the request turns on need no new verification. They are the content of BlueScope's published size schedules and the capability of its plate mill, and the Commission examined BlueScope's product range with BlueScope at the verification visit in February 2026, when Adsteel's analogous claims about products outside the range were tabled. Nothing arising from that exchange, or anywhere else on the record, asserts any BlueScope offering or capability above 3,200 mm in width.

If, contrary to Dongkuk's submission, the Commission considered it could not complete the assessment within the investigation, the course the SEF contemplates is a separate exemption inquiry following the investigation, the very course by which the exemption in EX0050 was granted under the previous plate steel measures. Timing is a reason to deal with the request in the final report, not a reason to refuse it.