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Director
Investigations 1
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601

PUBLIC RECORD

Investigation No. 691 - Aluminium Windows and Doors from the People's Republic of China

EcoEco Windows & Doors Pty Ltd - Response to Capral Limited EPR 455

EcoEco Windows & Doors Pty Ltd (EcoEco) responds to Capral Limited's submission dated 20 August 2026, EPR 455.

Capral's submission repeatedly moves between three different propositions:

1. adverse movements occurred in Australian industry performance;
2. those movements amount to material injury; and
3. dumping or subsidisation caused that material injury.

Those propositions are not interchangeable.

An adverse movement is an observation.

Material injury is a statutory conclusion.

Causation is a further question.

The Commission's own guidance requires material injury to be greater than the normal ebb and flow of business and confirms that measures cannot address injury caused by something other than dumped or subsidised imports.

Section 269TAE(2A) of the *Customs Act 1901* requires other causes of injury to be considered and requires injury caused by those factors not to be attributed to the exported goods. Section 269TAE(2AA) requires the determination to be based on facts, not allegation, conjecture or remote possibilities.

That is the framework within which Capral's propositions must be tested.

I. ADVERSE MOVEMENTS ARE NOT SYNONYMOUS WITH MATERIAL INJURY

Capral relies upon falling sales, market share, profitability, utilisation and employment, together with alleged price suppression.

Those are adverse movements in business performance. They do not explain themselves.

In ordinary management accounting they would first be analysed as favourable or unfavourable variances. A variance identifies a difference between actual performance and a benchmark. It does not identify its cause.

Sales rise and fall. Market share changes as competitors enter, grow and contract. Profit changes with price, volume and cost. Utilisation changes according to production relative to available capacity. Employment changes with workload. The ability to recover cost increases through price depends upon what the market will bear.

The statutory term **material injury** should therefore not be applied broadly to every adverse movement.

The question is whether the movements, viewed together and in context, amount to injury that is material in degree and greater than the normal ebb and flow of business.

Only then does the question of attribution have meaning.

II. THE CLAIMED INDICATORS ARE INTERDEPENDENT

The adverse indicators relied upon by Capral are not necessarily independent.

lower production -> lower utilisation -> poorer fixed-cost absorption -> higher unit cost -> lower profit -> lower employment.

Several indicators may therefore be different consequences of one underlying change. Their number does not establish their cause.

A manufacturer whose volume falls but whose available capacity remains unchanged will necessarily experience lower utilisation. Fixed costs will then be absorbed across fewer units. Unit cost rises. Profitability deteriorates. Employment may subsequently be reduced.

None of those consequences identifies what caused the original fall in volume.

The central question remains:

What caused the underlying deterioration?

III. CAPRAL'S PRICE-GAP ARGUMENT FAILS

Capral states:

> *"if a cost gap to the import is evident, then the difference is the price effect of the imports."*

It then states:

> *"Where the imports are dumped, it is the price effect of the dumping."*

That conclusion does not follow.

Two manufacturers, wherever they are located, will rarely manufacture the same product at the same cost.

Differences arise from productivity, scale, labour, automation, procurement, overhead, integration, logistics, technology, utilisation and supply-chain structure.

Dumping is determined separately by comparing export price with normal value.

The difference between an Australian price and a Chinese price is not that calculation.

The price gap is not the dumping margin.

A Chinese product may be cheaper because of dumping. It may also be cheaper because its underlying production economics are different. It may be cheaper because of both.

The existence of a dumping margin does not answer that question.

Capral's analysis does not separate those effects. It simply attributes the observed gap to dumping.

That attribution has not been demonstrated.

IV. CAPRAL'S ZERO-COST ALUMINIUM EXAMPLE EXPOSES THE PROBLEM

Capral now describes its proposition that an Australian fabricator could not approach the landed Chinese finished-window price even with zero-cost aluminium as an illustration.

Taken at face value, the illustration establishes only this:

Australian aluminium cost does not explain the whole price difference.

Consider a simple sensitivity. If aluminium represented approximately 25% of finished-window cost, a fabricator paying three times as much for the same quantity and specification of aluminium would, all other costs being equal, have a finished-window cost approximately 50% higher. That difference can arise entirely from legitimate input economics, without any assumption of dumping.

Capral nevertheless treats the remaining price difference as evidence of the price effect of dumped imports.

That is the analytical error.

If aluminium is removed and a substantial difference remains, the cause of that difference must still be established. Productivity, scale, manufacturing efficiency, labour, automation, procurement, overhead, integration, logistics, technology and utilisation may all affect the finished-window cost.

Dumping may account for some of the remaining difference. Other competitive factors may account for some of it.

Capral's illustration identifies neither.

It cannot therefore establish that the residual is the effect of dumping.

An unexplained residual remains unexplained until its cause is established.

V. ORDINARY COMPETITION CANNOT BE ABSORBED INTO A DUMPING FINDING

Manufacturers compete with different cost structures.

One producer may use fewer labour hours, buy inputs more efficiently, operate at greater scale, automate more, achieve better utilisation, carry lower overhead or integrate its supply chain more effectively.

Those differences affect cost and price. They are ordinary commercial competition.

Section 269TAE(2A) expressly recognises that matters including demand, competition, technology and Australian industry productivity may cause injury independently of the exports under consideration, and requires such injury not to be attributed to those exports.

This is important because Capral's reasoning risks absorbing ordinary competitive disadvantage into the dumping finding.

A separate finding that exports were dumped does not transform every pre-existing difference in productivity, cost or efficiency into an effect of dumping.

The Commission must attribute to dumping only the material injury caused by dumping.

VI. THE CLAIMED ADVERSE MOVEMENTS REQUIRE CAUSAL EXPLANATION

Capral characterises EcoEco's identification of other factors as hypothetical. That misstates EcoEco's position.

EcoEco does not ask the Commission to investigate conjecture. It asks that the adverse movements relied upon by the applicants be explained by evidence before being attributed to dumping.

A fall in sales does not identify what caused sales to fall. A fall in market share does not distinguish dumping from increased competition. A fall in utilisation does not distinguish lost demand from excess capacity. A fall in profit does not distinguish price effects from volume, cost, productivity or overhead effects. A reduction in employment may simply be the consequence of lower activity. Prices failing to rise with costs do not establish why the market would not accept the increase.

These are not hypothetical alternative causes invented by EcoEco. They are the ordinary components of analysing business performance.

The Act itself requires other causes to be considered and requires the determination to rest on facts.

EcoEco does not invite the Commission to assume that any identified alternative factor caused injury. It asks the Commission to test those factors against the factual record. If a factor is unsupported by evidence, it may be discarded. If it is supported by evidence and caused part of the claimed injury, section 269TAE(2A) requires that injury not to be attributed to the exported goods.

That is not speculation. It is non-attribution.

Capral's suggestion that EcoEco must first quantify every possible alternative cause before the Commission considers it reverses the inquiry. The applicants rely upon adverse movements as evidence of injury caused by dumping. The causal explanation for those movements must therefore be established from the evidence, not assumed and then displaced only if another party proves an alternative case.

VII. CAPRAL'S SECONDARY ARGUMENTS

Importer efficiency

Capral says importer efficiency does not determine whether dumping occurred.

Correct.

EcoEco does not say that it does.

EcoEco's business model is relevant to explaining why its finished Australian market offer remains competitive after international freight and substantial Australian costs for warehousing, administration, sales, delivery, service, warranty and overhead are incurred.

That evidence goes to market economics and causation. It does not purport to determine normal value or export price.

Cost knowledge and evidence

Capral says finished-window costs are held by Australian producers.

Relevant cost knowledge is broader than that.

Australian producers know their production costs. Exporters know their production and export economics. Importers know purchase prices, landed costs, freight, Australian operating costs, margins and selling prices.

EcoEco itself has direct commercial knowledge and documentary evidence concerning component costs, fabrication, finished-window costs, logistics, Australian selling and service costs, margins and market pricing.

Importantly, this evidence is not merely offered. EcoEco supplied confidential commercial cost information to the Commission under confidential treatment on 18 May 2026. EcoEco followed up on 28 May 2026 and, on 2 June 2026, the Commission acknowledged receipt, stating: **"This has been received."**

The absence of those commercially sensitive figures from the public record does not mean the evidence has not been provided. It is already available to the Commission for assessment and, if considered appropriate, verification. EcoEco does not suggest that receipt amounts to verification or acceptance of the figures; it establishes that the underlying commercial evidence exists and is before the Commission.

Capral therefore cannot characterise EcoEco's position as unsupported merely because the confidential dollar figures are not reproduced on the public record.

Capral does not fabricate finished AWD and acknowledges that its zero-cost aluminium proposition is illustrative. Its illustration cannot substitute for analysis of the complete finished-window economics, particularly where relevant commercial evidence is already available to the Commission.

Reasonableness of Australian costs

Capral asks whether EcoEco has demonstrated that Australian costs or margins are unreasonable.

That question is beside the point.

A cost can be entirely reasonable and still be higher than a competitor's cost. The issue is not whether the Australian cost is justified. The issue is whether it explains part of the difference between the Australian and Chinese prices.

If it does, that part of the difference cannot simply be attributed to dumping.

Sourcing

Capral says EcoEco contradicts itself by arguing that Australian fabricators may be tied to proprietary systems while EcoEco sources components from independent specialist suppliers.

There is no contradiction.

EcoEco developed a complete system in which compatible components are selected, integrated, manufactured and tested together.

That is fundamentally different from replacing one supplier within an established proprietary system involving existing profiles, dies, tooling, hardware, machinery, testing, certification, software, warranties, inventory and specifications.

The two circumstances are not equivalent.

VIII. CAPRAL'S COUNTERFACTUAL DOES NOT REMOVE THE NEED FOR NON-ATTRIBUTION

Capral says the appropriate counterfactual is the Australian market absent dumped or subsidised imports while holding the Australian industry's prevailing cost structures constant.

That description is incomplete.

Removing dumped imports from the counterfactual does not permit every remaining difference between Australian and Chinese prices to be attributed to dumping.

The statutory task still requires injury caused by other factors not to be attributed to the exported goods.

Demand, competition, productivity, technology, capacity, cost structure and other market conditions do not cease to exist because dumped imports are removed from a model.

Nor does the counterfactual transform an Australian producer's existing cost structure into the competitive benchmark against which all other production models must be measured.

EcoEco has not argued that an Australian producer must adopt EcoEco's offshore manufacturing model in order to qualify for relief. That is not the point.

The point is that different production models generate different costs.

If part of the observed price difference arises from productivity, scale, automation, procurement, labour, overhead, integration or other legitimate economic differences, that part of the difference exists independently of dumping.

It cannot become injury caused by dumping merely because the counterfactual holds the Australian producer's cost structure constant.

Otherwise the analysis would convert the Australian industry's existing cost disadvantage into an effect of dumping by construction.

That would defeat the purpose of non-attribution.

The counterfactual must assist in identifying the effect of dumping. It cannot be used to assume it.

IX. CAPRAL'S REQUEST THAT ECOECO BE DISREGARDED

Capral concludes by requesting that the Commission:

> *"disregard these recent and all previous EcoEco representations in totality."*

That request should be rejected.

A request to disregard an opposing party's submissions is not a rebuttal of them.

If Capral says an EcoEco proposition is factually wrong, economically unsound or legally irrelevant, it should identify that proposition and establish why.

EcoEco's representations raise substantive questions concerning price formation, productivity, efficiency, cost structure, competition, market demand, capacity, causation and non-attribution. Those matters go directly to whether the adverse movements relied upon by the applicants were caused by dumping or by other commercial factors.

Capral cannot dispose of those questions simply by asking that they not be considered.

Indeed, Capral's own submission demonstrates their relevance. It devotes substantial argument to EcoEco's representations concerning the price gap, zero-cost aluminium, importer efficiency, alternative causes, sourcing and the counterfactual.

Capral cannot both engage those propositions at length and then establish their irrelevance merely by requesting that the Commission disregard them.

More fundamentally, EcoEco does not bear an obligation to prove Capral's case wrong.

The question before the Commission remains whether the statutory requirements for dumping, material injury and causation are established on the evidence.

The Commission must determine the relevance and weight of competing evidence and explanations for itself.

If an EcoEco proposition is unsupported, it can be given no weight. If it is contradicted by verified evidence, the verified evidence should prevail. If it identifies a material alternative explanation supported by the evidence, that explanation must be considered in the causation and non-attribution analysis.

That is the purpose of an investigation.

A blanket request that an opposing participant's representations be disregarded does not answer those representations and cannot substitute for evidence.

EcoEco therefore asks that its representations be assessed on their merits, proposition by proposition, against the factual record, in the same way as the representations of every other interested party.

If Capral says EcoEco is wrong, it should demonstrate where and why. Asking that EcoEco simply be ignored proves nothing.

X. CONCLUSION

Capral has identified adverse movements.

That does not establish material injury.

Capral has identified lower Chinese prices.

That does not establish that dumping caused the adverse movements.

Capral has identified a price difference remaining after Australian aluminium is hypothetically reduced to zero.

That does not establish that the residual difference is caused by dumping.

These are separate propositions and each requires evidence.

Capral's injury indicators describe what happened. They do not, by themselves, establish why it happened.

Its zero-cost aluminium illustration shows that aluminium does not explain the full price difference. It does not establish what does.

Its price-gap argument identifies competition between Australian and Chinese products. It does not establish that the whole competitive difference is caused by dumping.

Its counterfactual argument does not remove the statutory obligation to separate injury caused by dumping from injury caused by other factors.

Finally, its request that EcoEco's representations be disregarded does not resolve any of those questions. An argument is not answered by asking that it be ignored.

The statutory question is whether material injury to the Australian industry has been caused by the relevant dumped or subsidised imports, while excluding injury caused by other factors.

That determination must rest on facts.

EcoEco asks that Capral's claims - and EcoEco's responses to them - be tested accordingly.

A level playing field requires action against unfair trade where the statutory requirements are satisfied.

It does not require ordinary differences in productivity, efficiency, scale and cost to be reclassified as dumping.

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