PUBLIC VERSION

28 August 2026

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

Case 705 – Steel flat bar exported from Taiwan

Dear Director,

Macsteel International Australia ("Macsteel") imports steel flat bar within the goods description in this investigation and is an interested party. Macsteel purchases the goods in Taiwan and supplies them to customers in Australia. It makes this submission as a party that buys, lands and sells the goods whose effect on the Australian industry the Commission has been asked to assess.

Macsteel asks that the findings in this investigation rest on facts the Commission has established and verified, rather than on the untested account of the market given in the application. It identifies the matters on which, in Macsteel's experience as a purchaser and seller of these goods, that account should be tested.

1. Other causes must be considered and not attributed to the imports

Section 269TAE(2A) of the *Customs Act 1901* (Cth) ("the Act") requires the Minister to "consider whether any injury to an industry ... is being caused or threatened by a factor other than the exportation of those goods", names among those factors "the volume and prices of imported like goods that are not dumped" and "contractions in demand or changes in patterns of consumption", and provides that "any such injury or hindrance must not be attributed to the exportation of those goods". Several factors of that kind are already apparent on the material before the Commission.

The first is the state of demand. The Commission has found, in its own analysis, that the Australian market for these goods peaked in the period ending March 2024 and has decreased since. A contracting market is capable of producing falling sales volumes for every participant in it. Section 269TAE(2A)(c) names a contraction in demand as a factor whose effects must be separated from those of the goods under investigation.

Imports from origins other than Taiwan are a second. On the market information in the application itself, those imports hold a material share of the Australian market. Their volumes and prices fall within s 269TAE(2A)(a) and should be examined on the same footing as the goods from Taiwan.

The applicant's own approach to pricing is a third. The application describes imported product as competing with the applicant's offers "at different premiums above the import competing (parity) price", and states that distributors use the price of imported flat bar to negotiate lower prices from it. A price set by reference to import parity will follow import offers from any origin, whether or not they are dumped. Whether the applicant's price outcomes result from the goods from Taiwan, from imports generally, or from the operation of its own pricing approach is a question the investigation should answer on evidence rather than assumption.

There are further matters of similar importance including:

- the freight cost of supplying a national market from a single production site in New South Wales,
- the participation of entities related to the applicant in the import and distribution of the goods,
- any interruption to the applicant's production or raw material supply during the injury analysis period, and
- the treatment of Australian production of cold-formed flat bar in the industry and market figures.

Macsteel asks that each factor that is known and assessable be examined, that the Statement of Essential Facts set out the examination and its result, and that injury found to be caused by those factors not be attributed to the goods the subject of the investigation.

2. Infrabuild's supply position

Macsteel provides two documents with this submission. Both were received in the ordinary course of its business in the market for these goods. They are provided as confidential attachments, with non-confidential summaries for the public record.

The first is an email sent to customers by the applicant's product manager for merchant bar in June 2026, transmitting the applicant's latest merchant bar pricing.[1] It states that prices "are generally up ~$50 in line with import pricing". It extends the lead time for long lead time orders to "a nominal 4 months for this offer, as opposed to the standard 3 months", and gives the reason that "[t]his is on account of the impact of the Whyalla situation on our billet feed." It adds that the applicant "will utilise imported billet moving forward to replace Whyalla supply", that there are "no plans to use imported billet for Mebar", which "will continue to be produced using billet from our own EAFs", and that lead times will return to three months once imported billet lands.

The second is a letter to customers from [redacted] dated 16 June 2026, in which [redacted] describes the applicant as its domestic supplier.[2] The letter records that "Whyalla Steelworks remains unable to resume steelmaking operations, and the timeline for recommencement of billet production remains uncertain", and that this "has created significant disruption and cost pressure from our domestic supplier, InfraBuild, driven by ongoing supply constraints, production interruptions, and challenging

[1] InfraBuild Steel, email to customers, 'Mebar Jun LLT and Express Price', June 2026 (Confidential Attachment 1).

[2] [redacted], letter to customers, 16 June 2026 (Confidential Attachment 2).

logistics". It advises that the applicant will implement price increases effective 1 July 2026, including an increase of $100.00 per tonne on steel bar.

Both documents post-date the investigation period but are understood to be relevant to market conditions and impacts that occurred during the investigation period. The Anti-Dumping Review Panel has accepted, in the context of a reinvestigation, that "[i]t is open to the ADC to consider information ... that post-dated the IP for the purposes of the material injury assessment".[3] The documents are put forward for what they show about the applicant's supply position, and as matters the investigation should now examine on evidence from within the period.

The documents make the applicant's raw material supply a known factor. To its customers, the Whyalla situation is material enough to add a month to lead times and to sit behind announced price increases. To the Commission, the application describes Whyalla as the source of "a small amount of billet", in the like goods discussion, and the injury analysis does not mention it. Both accounts are the applicant's own. The investigation should establish which of them describes the applicant's actual position across the injury analysis period.

There is also a third account set out in the applicant's supplementary submission[4] to the Productivity Commission's safeguards inquiry. In it Infrabuild states that "the tight supply of certain steel products currently affecting the downstream market are the result of unplanned outages at the Whyalla Steelworks and the global supply disruptions caused by the conflict in the Middle East". It says it is addressing those constraints by "expanding its own steelmaking capacity" and by "purchasing supplementary imported material to fill a short-term gap". The same submission names the operator of the Whyalla steelworks as OneSteel Manufacturing Pty Limited (Administrators Appointed).

The email also records how the disruption operates. The applicant states that merchant bar will continue to be produced from billet made in its own electric arc furnaces, yet extends merchant bar lead times by a month on account of Whyalla. The available reading is that the loss of Whyalla billet has required the applicant to reallocate billet and reschedule production across the products made at its facilities, so that even products not rolled from Whyalla billet queue longer. A constraint of that kind is internal to the applicant's supply chain. It affects sales volumes and delivery performance through availability, not through the price of anything imported.

That reading is consistent with the application's own injury indices. The application's index of capacity utilisation for flat bar stands at 42 in the year ending March 2025, against a base of 100 two years earlier, and recovers only to 91 in the investigation period. Capacity utilisation is a relevant economic factor under s 269TAE(3)(b) of the Act, which refers to "the degree of utilization of the capacity of the industry to produce or manufacture goods of that kind, or like goods". An interruption to raw material supply and the rescheduling of production would explain movement of that kind. The price of imported goods would not.

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[3] ADRP Report No. 107, Ammonium nitrate exported from China, Sweden and Thailand, at [456].

[4] InfraBuild, Response to Submission No. 60, Submission 62 to the Productivity Commission, Fabricated structural steel safeguards public inquiry, p. 1.

3. Infrabuild’s financial position and ability to supply

Customers dealing with the applicant through the investigation period did so against a backdrop of public reporting that Infrabuild’s continuation as a going concern was in doubt. A distributor or stockist must place orders months ahead, and where a supplier's credit standing, raw material supply and solvency are all publicly in question, that forward commitment becomes a risk in itself. Macsteel observed the consequence in the market, with hesitation among distributors and stockists in placing orders with the applicant.

The reporting sits within the investigation period, and some examples of that reporting include:

- in April 2025, the ratings agency Fitch was reported as finding that "there are very high credit risks" in respect of the applicant, and that default "appears probable".[5]
- in May 2025, KordaMentha, the administrators of the Whyalla steelworks, were reported to have placed a "stop credit status on InfraBuild for several days last week".[6]
- in October 2025, reporting on the applicant's results recorded that "both the company's directors and KPMG said there was 'material uncertainty' whether the business could continue as a going concern, in part because of the high cost of servicing debts, which have risen above $1 billion", and quoted the accounts directly "[t]here remains material uncertainty as to whether the Consolidated Group can continue to operate as a going concern."[7] The same report noted US$350 million of senior notes maturing in November 2028 at a coupon of 14.5 per cent.

The commercial consequences surrounding Infrabuild’s financial viability were clear in the market. Macsteel observed hesitation among distributors and stockists in placing orders with the applicant while its raw material supply was disrupted and its own auditor doubted its ability to continue as a going concern. A customer weighing an order against reporting of that kind is responding to counterparty risk, not to the price of imported goods.

Injury must not be attributed to the goods where it flows from a factor other than their exportation. Sales the applicant did not make because customers were unwilling to carry supply and credit risk are sales lost to its own position, and s.269TAE(2A) requires their effects to be separated out. Those same effects are also relevant to the injury indicators, with financing costs and profit outcomes in an industry servicing reported debts above $1 billion having causes of their own.

Macsteel offers its observation of the market as something for the Commission to test. It asks that the Commission establish the applicant's financial position across the injury analysis period and its effect on customers' willingness to place orders, drawing on the applicant's order book, credit arrangements and customer correspondence, and treat it as

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[5]AFR, Fitch ratings says Gupta's Iinfrabuild faces default within months, 1 April 2025.

[6]AFR, Whyalla administrators in credit stand off with Gupta's Iinfrabuild, 23 May 2025.

[7]AFR, Gupta's Iinfrabuild slumps to $250m loss raising doubts over future, 28 October 2025.

a known and assessable factor in the causation analysis. The direct customer inquiries sought at the end of this submission would capture the same matters.

4. Demand for flat bar from structural fabricators

Flat bar is used by fabricators, as the application notes that thet are "typically put into base plates or joiner bars, or can be welded into T-sections", and "generally undergo some form of further fabrication". The applicant lists "engineering fabrication" among the key market segments for the goods, and places the market "in the state capital cities or large regional centres such as Newcastle, as this is where the larger fabricators and manufacturers are generally based". Demand variability, on the applicant's own account, is driven by "the relative investment in the key market segments of non-residential and residential construction, engineering construction, mining and resources infrastructure, manufacturing and transport". The goods themselves are made to AS/NZS 3679.1, "Structural Steel Part 1: Hot rolled bars and sections".

Demand for flat bar is derived demand so that Australian fabricators will purchase less if they are producing less, regardless of the price of flat bar and wherever it comes from.

The applicant describes its own place in that distribution chain. In the supplementary submission to the PC safeguards inquiry, it states that "the key products that InfraBuild manufactures for the fabricated steel market that are relevant to the Productivity Commission's inquiry, are light structural sections range commonly known as Merchant Bar and pipe and tubular sections known as Hollow Structural Sections", and that it is "also a major distributor of a range of structural steel products to the fabrication industry". The goods in this investigation are "commonly, but not exclusively, referred to as 'Flats', 'Flat Bar', 'Hot Rolled Flats' or 'Merchant Bar Flats'".

The applicant has told the Productivity Commission that the Australian fabricated steel market is shrinking. In its principal submission to that inquiry it submits that the increase in imports of fabricated structural steel is "recent, sudden, sharp and significant", and that it "has been at the expense of domestic fabricated structural steel products, which have significantly lost market share since the increase in imports were most pronounced in CY 2024". It submits that "the loss of domestic production and sales, the loss of market share held by the Australian domestic industry since CY 2024 are serious in their magnitude and materiality". On the applicant's own measure, domestic production of fabricated structural steel "declined most significantly in CY 2024, namely by 28%". CY 2024 is also the year in which, on that analysis, imports came to hold "the majority of the domestic market for fabricated structural steel products".[8]

Fabricators told the same inquiry what the loss looks like in their workshops. Prince Engineering said that "the increasing supply of imported fabricated steel products has significantly reduced the volume of work available to domestic manufacturers", and that in consequence its "current annual steel throughput has declined to approximately 1,000 tonnes per annum, representing a reduction of approximately 24,000 tonnes", measured against an indicative capacity of about 25,000 tonnes a year. idec Solutions reported "reduced fabrication throughput", with "structural steel fabrication volumes [having]

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[8] InfraBuild, Submission 40 to the Productivity Commission, Fabricated structural steel safeguards public inquiry, summary and section 3.

declined significantly since 2019, driven by the loss of projects to lower-priced imported alternatives". CSF Industries said that "the increase in imported fabricated steel has significantly impacted the volume of work which reduces capacity utilisation". Steel throughput is steel bought, and a tonne of flat bar that a fabricator does not process is a tonne of flat bar that it does not purchase, whether from the applicant or from anyone else.[9]

This confirms that a fabricating industry that lost 28 per cent of its production in CY 2024, and the majority of its domestic market to imports, bought materially less Australian steel to fabricate with. A substantial part of Infrabuild's lost flat bar volumes across the injury analysis period is therefore a reflection of the lost purchases by local fabricators. It has nothing to do with the price or the volume of flat bar from Taiwan.

Further, the flat bar that an Australian fabricator would have bought from Infrabuild or imports is now instead purchased by a fabricator offshore, or arrives as in a fabricated finished assembly. As such, demand has not so much disappeared as moved, and Infrabuild attributes the move to global steel overcapacity and the collapse of the Chinese property market, not to exports of flat bar from Taiwan.

The timing also confirms these points. The injury analysis period in this investigation runs from 1 April 2022, and the investigation period from 1 April 2025 to 31 March 2026. Infarbuild's evidence to the Productivity Commission puts the acceleration in CY 2024 and its continuation through CY 2025. Both sit inside the period this Commission is examining. This factor was operating at the same time as the exportations.

Macsteel asks the Commission to have regard to the existing body of public evidence, that Infrabuild's own downstream customers lost volume to a different imported product over the same years. Infrabuild cannot hold both positions to be true at once. To the Productivity Commission, the loss of its downstream market is serious, sudden and caused by imports of fabricated steel. To the Commission, its lost sales are caused by flat bar from Taiwan. The Commission is obliged to test that second statement against the first, and that whatever part of the applicant's lost volume is attributable to the contraction in Australian fabrication not be attributed to the exportation of the goods.

5. Price comparisons

Any comparison between import prices and the applicant's prices should be made at the same level of trade. The Commission's Manual requires the undercutting analysis to compare transactions "made under the same conditions (e.g. timing, volume, discounts, delivery, credit, same customer etc.)". A free-on-board price at a Taiwanese port and a delivered price in Australia are not made under the same conditions. The difference between them includes ocean freight, marine insurance, customs duty, port and handling charges and inland freight, and movement in those cost layers says nothing about the goods themselves.

Macsteel's import records include landed cost build-ups into store, by destination. They permit a comparison on a properly constituted delivered basis, and Macsteel will provide them.

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[9] Prince Engineering, Submission 3 to the Productivity Commission, Fabricated structural steel safeguards public inquiry, p. 1; idec Solutions, Submission 21; CSF Industries, Submission 17.

Macsteel therefore urges the Commission to examine each factor other than the exportations that is known and assessable, including the contraction in demand the Commission has already found, imports from other origins, the applicant's pricing approach, domestic freight, the applicant's financial position, the contraction in Australian structural fabrication and its effect on demand for the goods, the participation of related entities in the import trade and any interruption to the applicant's production or supply, and set out the examination and its result in the Statement of Essential Facts.

The Commission must also establish the applicant's billet supply and production scheduling across the injury analysis period, and make any price comparison at the same level of trade and on a comparable delivered basis.

Macsteel intends to seek further evidence from customers in support of the matters set out above, and will put before the Commission whatever it obtains. Although it is worth noting that customers approached so far have been unwilling to be identified, and the reason they give is commercial. The Commission has recorded that InfraBuild has "by far the largest market share of the Australian industry", and that BSL is "the only other Australian producer", whose output InfraBuild "considered … to be small".

A customer that must keep buying flat bar domestically has one realistic source. Giving evidence adverse to that source carries a risk to supply, to lead time and to price that no customer can insure against, and that none is willing to run for the sake of another party's submission. Macsteel asks the Commission to approach users of the goods directly, or issue a market characteristics questionnaire in order to receive customer’s views on a confidential basis with a non-confidential summary.

Yours faithfully,

Macsteel International