

Director, Investigations 1

Australian Trade Remedies Commission

By email: Investigations1@atrc.gov.au

Investigation 691: Aluminium windows and doors exported from the People's Republic of China. Submission in response to Statement of Essential Facts 691. (Non-confidential version for the public record)

Dear Director

I am Jordan Galloway, Director at Galmar Group, a builder. I make this submission in response to Statement of Essential Facts 691 (SEF 691) in Investigation 691, concerning aluminium windows and doors exported from the People's Republic of China. Aluminium windows and doors are a core input to the buildings we deliver. The cost of construction is sky high, and winning projects is becoming tougher and tougher, our margins are shrinking and contracts are not favourable, any increase in cost chews away the minimal margin we already have. We build in Sydney, in an already inflated cost market, having fixed price contracts, and needing to absorb these increase while also limiting our options for cost saving is a recipe for only disaster and more business failure

Interim securities have applied since 15 October 2026 to aluminium windows and doors from China entered for home consumption, at rates of 5.3% to 51.6% for selected exporters, 24.4% for residual exporters and 73.3% for uncooperative and all other exporters (SEF 691, p.12). I understand that the Commissioner's final report is due to the Minister by 16 December 2026. I ask the Commission to consider the following matters before finalising its recommendations.

Signed contracts can't absorb a surprise charge

Securities apply to goods entered for home consumption on or after 15 October 2026 (SEF p.12), regardless of when the building contract was priced. Submissions summarised in the SEF warn that measures "could render existing projects loss-making and contribute to significant project delays, disputes and possibly insolvencies", and that costs on projects already sold and under construction "may ultimately be passed on to purchasers" (SEF p.58). In my experience, residential building contracts are priced and signed well before windows are ordered and delivered, and a fixed-price contract cannot simply be reopened when a supplier's cost changes. I ask the Commission to record this in the final report and to recommend transitional treatment for goods supplied under contracts entered into before 15 October 2026.

Hard years for everyone aren't 'material injury' from dumping

Under the Ministerial Direction on Material Injury 2012, injury must be "greater than that likely to occur in the normal ebb and flow of business" and not "immaterial, insubstantial or insignificant" (Direction; Dumping and Subsidy Manual ch. 4; SEF p.202). The SEF finds that the lead applicant "remained profitable throughout the injury period" (SEF p.211; also p.177), and only four industry members provided profitability data, one of whom reported improvement (pp.177-178). Over the same period the construction sector as a whole faced lower demand, rising costs and higher interest rates (SEF pp.109, 197-198). In my experience, falling margins, lost jobs and harder trading were common across building businesses in these years. I ask the Commission to explain in the final report why the injury it has found is greater than the ebb and flow experienced across the construction sector at the

same time, and how its profitability findings support that conclusion.

Nobody has weighed the public interest

SEF 691 states that "the broader public interest considerations have not been considered by the Commissioner in making their preliminary findings and recommendations set out in this SEF" (SEF p.60). When the Government declined a formal public interest test in 2011, it committed that reports to the Minister may include "the expected effect of any measures on market concentration and domestic prices" and that the agency "will also report on any claims regarding impacts on downstream industries" (Streamlining Australia's anti-dumping system, 2011, s6.2). I ask that the final report for Investigation 691 include that assessment, so the Minister has it before deciding.

Families are already paying to meet 7-star energy rules

Under the National Construction Code 2022 energy requirements, new homes in most states must now achieve a 7-star NatHERS rating plus a whole-of-home energy budget; NSW applies its own standard through BASIX, and Tasmania and the Northern Territory have not adopted the 7-star housing requirement (ABCB, NCC 2022 state and territory adoption dates). The applicants' description of demand, recorded in the SEF, identifies "changes to building codes and regulatory requirements including requirements relating to energy efficiency" as a demand driver (SEF p.109), and the Commission's model control codes distinguish thermally broken frames and insulated glass units (pp.72-73). In my experience, meeting the higher standard has pushed specifications toward double-glazed and thermally broken windows and doors, which have become one of the larger cost items in a compliant home. Separately from the form of any duty, I ask the Commission to report the share of the goods that are thermally broken or double-glazed, and the expected effect of measures on the cost of meeting these energy-efficiency requirements.

Custom-engineered systems aren't a commodity

The goods description covers aluminium windows and doors fully or partially assembled, with or without glass, whether or not thermally broken, up to 3.0 m by 4.0 m for windows and 3.0 m by 7.0 m for doors (SEF p.70), and the SEF has brought window wall within scope (pp.69, 76). The SEF accepts that these products "can be bespoke" and are "made/engineered to order" (pp.73-74), and that pricing is "quotation or tender based dependent on project specifications" (p.120). Six exemption applications, including for euro-slider and slim-line systems and for engineered systems for Class 2 and larger buildings, have not yet been considered (pp.74-76, Table 10). Section 8(7)(a) of the Customs Tariff (Anti-Dumping) Act 1975 allows the Minister to exempt goods where like or directly competitive goods are not offered for sale in Australia to all purchasers on equal terms under like conditions. In my experience, the windows and doors on a project are designed, engineered and quoted for that building; they are not bought off a shelf. I ask the Commission to determine the exemption applications in the final report, and to consider whether a single set of ad valorem rates across the whole goods description is appropriate for products engineered to order for individual projects.

Regional builders and families lose choice

The SEF observes that "regionally specific requirements are common in the Australian AWD market", including wind region, exposure, terrain and climate (SEF p.120). It records an interested party's submission that the lead applicant's market position reflects "a long period of acquisition and consolidation" and that customers may be seeking alternative supply to "a highly concentrated incumbent supplier", and accepts that the lead applicant's market share "may have been impacted by

such events" (p.199). In 2011 the Government committed that reports to the Minister may include "the expected effect of any measures on market concentration and domestic prices" (Streamlining, 2011, s6.2). In my experience, the number of suppliers able to quote on a job, and deliver to site on time, is already limited in my area, and each one that drops out shows up in prices and waiting times. I ask the Commission to assess the expected effect of measures on market concentration and on the range of suppliers available to builders and home buyers, including in regional areas.

The people who build with these products were left out

In 2011 the Government committed that the agency "will also report on any claims regarding impacts on downstream industries" (Streamlining Australia's anti-dumping system, 2011, s6.2). The SEF records submissions that builders, developers and façade contractors "have limited capacity to absorb these costs" and that the costs "would ultimately be passed on to downstream purchasers" (SEF p.56), and finds that 42% of the Australian industry members answering its market questionnaire reported a "shift toward imported inputs or imported systems to remain competitive" (p.180, Table 27). The SEF states that the Act does not provide for the Commissioner to undertake "an assessment of the overall economic impact" (p.59). In my experience, a cost increase at the supplier end does not disappear: it is either absorbed by small businesses like mine or passed on to the client. I ask that the final report set out for the Minister the claims made about downstream users (builders, installers, fabricators who use imported systems, and home buyers) and the Commission's response to them, consistent with the 2011 commitment.

Inflation is already above target

The ABS producer price index for aluminium windows and doors used in house construction was 44.1% above its 2019 average in the June quarter 2026, and 5.1% higher than a year earlier (ABS 6427.0, Table 18). The ABS attributed the June quarter rise of 3.2% to "elevated aluminium and transportation costs". Those increases occurred before any securities applied. I ask the Commission to take this price context into account in assessing the effect of measures on downstream users.

It works against innovation and productivity

The Productivity Commission has warned that long-standing anti-dumping measures "that become akin to tariffs are likely to lessen the imperative for recipient industries to respond to import competition through innovation and other forms of productivity improvement" (Inquiry Report No. 48, 2009, p.35). Its 2025 report found labour productivity in housing construction fell 12% between 1994-95 and 2022-23, while productivity across the economy rose 49%. I ask the Commission to consider these downstream productivity effects in its final report.

The profitability findings conflict

SEF 691 rejects the lead applicant's historical selling prices as a basis for the unsuppressed selling price because it "has been selling like goods at a loss for all of the injury period" (SEF pp.209-210), yet also finds that it "remained profitable throughout the injury period" (SEF p.211; also p.177). These findings appear inconsistent. Because the unsuppressed selling price determines the non-injurious price, and the non-injurious price was found "not less than the normal value for any exporters" (SEF pp.208, 211), the issue affects whether the lesser duty rule can have any effect. I ask the Commission to resolve the inconsistency and recalculate the non-injurious price in the final report.

Most of the price gap is not dumping

SEF 691 reports price undercutting of 5% up to 64%, with half of quotes or tenders undercut by 30%

or more (SEF p.190), against dumping margins of 5.3% to 51.6% for selected exporters and 24.4% for residual exporters (SEF p.12). The SEF accepts that Chinese producers "may have enjoyed a cost advantage" (p.200), that industry costs rose for reasons "unrelated to Chinese imports" (p.197), and that falling market demand "may explain in part" the industry's decline (p.198). Section 269TAE(2A) requires that injury caused by other factors not be attributed to dumping. I ask the Commission to explain in the final report how injury from these other factors has been separated from injury caused by dumping.

The 73.3% rate is a blunt instrument

The 73.3% rate for uncooperative and all other exporters combines the lowest verified export price with the weighted average normal value (SEF pp.151-153), so it is by design the highest outcome. It applies to exporters covering about 22% of Chinese export value (SEF pp.20, 151) and to any exporter not named, in a market with more than 2,000 exporters (SEF p.20). I ask the Commission to reconsider whether this method produces a rate that reasonably reflects the exporters it captures.

A percentage duty penalises energy-efficient windows

The Commission's Guidelines, quoted in SEF 691, warn that the ad valorem method "may not be the most appropriate duty method when applied to goods which may have high priced varieties or models of the goods" (SEF p.213). The SEF then finds "a wide range of high priced goods" and that "price variation is therefore considered high", yet proposes an ad valorem duty (SEF p.214) without explaining how that warning was addressed. A percentage duty takes the most dollars from the highest-specification products, such as the thermally broken and double-glazed units used to meet the NCC 2022 7-star energy-efficiency standard. I ask the Commission to consider a floor-price or combination method, or separate treatment of high-specification products.

It adds cost to every new home

The Commission's own analysis puts aluminium windows and doors at "approximately 5% to 7% of total construction costs for a typical 3 to 4 bedroom dwelling" (SEF p.60). I note the Commissioner describes this as "a small share" and says the estimates "are not a basis on which to assess the overall cost impact of the proposed measures"; that is my concern, because no overall cost impact has been assessed. On simple illustrative arithmetic using the ABS average approval value of a new house in 2025-26 (\$517,430), a 24.4% rise in window and door costs would add up to about \$6,300 to \$8,800 per home. That is an upper bound, not a forecast, and I ask that the final report assess the actual effect on dwelling costs.

Capacity on paper isn't windows on site

The SEF finds that the Australian industry has the capability and the capacity to supply all market segments, citing the lead applicant's "approximately 80% capacity utilisation" and industry members' reports of available or scalable capacity (SEF pp.100-101, 201-202). Elsewhere the SEF describes that 80% as capacity relative to FY2022 (p.202), and I ask the Commission to clarify which capacity metric it relies on. The SEF also records that supply conditions are influenced by "lead times and project specifications" (p.108), records submissions that capacity limits cause "supply constraints, increased lead times and costs" (p.58), and accepts that imports are "an integral part of the Australian market" (p.202). In my experience, what matters on a project is whether the right specification arrives on the date the frame is ready; a delay of weeks holds up trades, progress payments and handover. I ask the Commission to test capacity against the volumes, specifications and delivery times builders actually need, including as demand recovers toward the National Housing

Accord target, and to report what it expects to happen to lead times if imported supply falls.

Imported systems are not truly 'like goods'

Section 269T(1) of the Customs Act defines like goods as goods "identical in all respects" to the goods under consideration or having "characteristics closely resembling" them. SEF 691 finds local and imported aluminium windows and doors alike on physical, commercial, functional and production grounds (SEF pp.69, 73-74), while itself accepting that these products "can be bespoke" (p.73) and are "made/engineered to order" (p.74). The Commission's Dumping and Subsidy Manual asks, as part of functional likeness, whether the goods "have differential quality", noting that objective evidence such as standards "has higher probative value"; and, as part of commercial likeness, to what extent buyers are "willing to switch between sources" (Manual, December 2021, ch. 2). In my experience, the imported systems I have worked with are chosen for what they do, not only for what they cost: their thermal and acoustic performance, larger spans, the smoothness of large sliding and stacker doors, the range of designs, and dependable lead times. On the jobs I have done, they have often outperformed the local options I was offered for the same specification and timeframe. Where buyers choose on performance rather than price, the price gap the SEF attributes to dumping may not be the reason for the sale. I ask the Commission to test likeness and substitutability for these higher-performance systems rather than for aluminium windows and doors as a single class, to reflect that in its causation analysis, and to determine the exemption applications listed in Table 10 of the SEF, which it has said it will consider in the final report (SEF pp.74-76).

The evidence base is thin in key places

SEF 691 states that "it is not possible to achieve a representative sample of the market" from the tender evidence (SEF p.192), and the lost-sales figures include projects industry "elected not to bid for" (pp.190, 193). Only four industry members provided profitability data (pp.177-178). Exporters' aluminium and glass costs, about 56% of cost, were replaced with benchmarks even though their records were found to reasonably reflect costs, including a glass price benchmark the Commission "has not previously used" (pp.136, 324). I ask the Commission to address these limitations and their effect on the margins in the final report.

It reduces competition

During the investigation period Australian industry supplied the majority of the market, China about 19%, and imports from other sources were "a small but stable part" of it (SEF p.16, p.174). The Productivity Commission has found that the anti-dumping system "benefits a small number of import competing firms, but imposes greater costs on the rest of the economy" (Inquiry Report No. 48, 2009). I ask that the final report assess the expected effect of measures on competition and market concentration in the supply of windows and doors, consistent with the 2011 commitment on reporting market effects to the Minister.

I therefore ask the Commissioner to:

- include in the final report an assessment of the expected effect of measures on dwelling costs, downstream users and competition, so that the Minister can weigh the public interest;
- address the matters raised above before finalising the recommendations; and
- if measures are recommended, recommend proportionate forms of measure and transitional treatment for orders and contracts committed before 15 October 2026.

These are my own views, based on my own experience. I have checked what I have written and I

stand behind it. The facts I refer to come from SEF 691 and the other public sources cited.

Thank you for taking the time to consider this submission.

Yours faithfully

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