

ELECTRONIC PUBLIC RECORD — NON-CONFIDENTIAL SUBMISSION

Investigation 691: Aluminium Windows & Doors Exported from China

Lodged by Ray Realty Subdivisions Pty Ltd | Date: October 2026

TO: The Commissioner, Australian Trade Remedies Commission (ATRC)
Department of Industry, Science and Resources, Canberra ACT 2601

CC: The Hon. Ed Husic MP, Minister for Industry and Science

SUBMITTING ENTITY: RAY REALTY SUBDIVISIONS PTY LTD (Victoria, Australia)

AUTHORIZED BY: Achin Ray, Director

MATTER: Investigation 691 — Response to Preliminary Affirmative Determination (ADN No. 2026/147) and Assessment of Downstream Industry, Employment, Fiscal, and Financial Contagion Impacts

1. Executive Summary & Statement of Standing

Ray Realty Subdivisions Pty Ltd is an active residential property development, subdivision, and building company based in Victoria. We specialize in delivering high-quality residential subdivision projects, multi-unit townhouses, and detached dwellings across metropolitan Melbourne and regional growth corridors.

We lodge this formal submission on the Electronic Public Record pursuant to the invitation of the Commission and in response to Anti-Dumping Notice No. 2026/147. Under Notice 2026/147, the Commission published a Preliminary Affirmative Determination (PAD) establishing provisional securities on imports of fully or partially assembled aluminium windows and doors from the People's Republic of China, with effective security rates ranging from **24.4%** (for cooperative residual exporters) up to **73.3%** (for uncooperative and all other exporters), effective from 15 October 2026.

Ray Realty Subdivisions Pty Ltd fully respects the Commission's statutory mandate to administer Australia's trade remedies regime. We unequivocally support Australian manufacturing where competitive, fair, and viable. However, trade remedy measures cannot be assessed in isolation from the broader domestic economy. Protecting a small cluster of concentrated primary manufacturers—led by the applicant Ventora Group Pty Ltd and supported by the Australian Glass and Window Association (AGWA)—must not be purchased at the catastrophic expense of thousands of small and medium-sized independent Australian subcontractors, skilled glazing tradespeople, Commonwealth fiscal balances, and home affordability.

This submission demonstrates that the preliminary measures will not stimulate sustainable domestic fabrication. Instead, they are already inducing severe supply bottlenecks, forcing independent installation businesses into insolvency, triggering long-term unemployment among mature-aged tradespeople with no alternative career paths, imposing a direct **\$500M+ fiscal drain** on the Commonwealth in Centrelink income support and lost taxes, and exposing **\$1.6B+ in residential mortgages** to default.

2. Sector Demographics: Manufacturing vs. Downstream Glazing & Installation

The core premise of the application is that imposing duties protects Australian employment. An empirical examination of industry structure exposes this claim as fundamentally flawed. Direct window fabrication is capital-intensive and highly automated, whereas downstream transport, crane handling, glazing, and site installation are labor-intensive, local, and completely dependent on material availability.

Data from the Australian Bureau of Statistics (ABS 8165.0), IBISWorld Industry Report E3245 (*Glazing Services in Australia*), and AGWA's own public baseline reveal the extreme imbalance between direct manufacturing and the downstream services ecosystem:

INDUSTRY SEGMENT	ACTIVE ENTERPRISES	DIRECT EMPLOYMENT	AVERAGE STAFF / FIRM	ANNUAL REVENUE
Domestic Window & Door Manufacturing	~450 – 550	~9,000	18 – 20+	\$2.72 Billion
Independent Glazing & Installation Services (ANZSIC 3245)	4,050	12,570	3.1	\$3.10 Billion
Broader Fenestration Supply Chain (Total Ecosystem)	>6,500	>26,000	4.0	\$8.85 Billion

Sources: ABS Counts of Australian Businesses (8165.0); IBISWorld Industry Report E3245 (2026); AGWA Public Briefing Data.

As the data demonstrates, independent window and door installation services represent **4,050 separate small businesses** and employ **12,570 direct trade workers** across Australia. When combined with associated logistics, assembly, and crane operators, non-manufacturing downstream operations account for over **17,000 jobs** and **\$6.13 billion in annual economic activity**—vastly outnumbering primary manufacturing.

With an average enterprise size of only 3.1 employees, these 4,050 businesses are sole traders, family partnerships, and micro-subcontractors. They possess no financial balance sheet to absorb border duty shocks of 24.4% to 73.3%. When imported products are blocked or become commercially unviable, these 4,050 independent businesses do not pivot to local manufacturers—they suffer immediate contract cancellations and project shutdowns.

3. Four-Year Economic Disruption Model (\$752 Million to \$1.18 Billion Exposure)

Domestic manufacturers currently operate at extended capacity, with lead times for custom architectural residential fenestration running between **14 and 22 weeks**, compared to 6 to 10 weeks via established imported channels. Tariffs do not create new domestic capacity overnight; they simply create acute nationwide material shortages.

Our economic analysis models the annual and four-year cumulative revenue exposure across two critical vectors: direct service disruption and construction delay holding costs.

A. Annual Supply Chain Service Revenue at Risk

- **International & Coastal Freight, Port Logistics, Customs Brokering:** \$18.5M – \$34.0M
- **Warehousing, Material Handling & Staging:** \$22.0M – \$48.0M
- **Specialised Transport, Hiab & Spider Crane Hire:** \$14.5M – \$32.0M
- **Downstream Subcontract Glazing & Installation Labour:** \$25.0M – \$72.0M

- **Annual Direct Supply Chain Exposure: \$80.0M – \$186.0M**

B. Construction Delay & Carrying Cost Model

Under current national pipeline volumes, if 10,000 to 14,000 residential dwellings undergo an average delivery delay of 60 days while builders requote, redesign, or await delayed domestic supply:

- At an industry-standard holding cost of **\$180 per home per day** (encompassing site perimeter rental, security, scaffolding hire, builder working-capital interest, and purchaser bridging finance):
- *Conservative Case (10,000 homes × 60 days × \$180/day): \$108.0 Million annually*
- *High Impact Case (14,000 homes × 60 days × \$180/day): \$151.2 Million annually*

DISRUPTION SCENARIO	ANNUAL SUPPLY CHAIN EXPOSURE	ANNUAL SITE DELAY COSTS	TOTAL ANNUAL ECONOMIC RISK	4-YEAR CUMULATIVE EXPOSURE
Conservative Estimate	\$80.0 Million	\$108.0 Million	\$188.0 Million	\$752.0 Million
Mid-Range Impact	\$135.0 Million	\$129.6 Million	\$264.6 Million	\$1.058 Billion
Severe Shock Estimate	\$186.0 Million	\$151.2 Million	\$294.0 Million	\$1.176 Billion

Over a standard four-year trade measure horizon, the potential economic damage to the Australian construction and logistics sector ranges from **\$752 million to \$1.176 billion**. Any marginal revenue diverted to domestic fabricators is dwarfed by this economy-wide deadweight loss.

4. Human Capital Impact: Mature-Aged Tradespeople & Retraining Barriers

The human consequence of this proposed measure falls most heavily upon mature-aged blue-collar tradespeople.

According to demographic surveys of the glazing and installation workforce, the median age of independent fenestration installers, crane operators, and master glaziers is **44.8 years**. These workers have spent between 15 and 30 years developing highly specialised manual competencies:

- **Physical Specialisation:** Managing heavy, fragile glass units (often exceeding 150–300kg per sash) using vacuum manipulators, structural silicone glazing, and calibrated fixing to meet Australian Standards AS 1288 and AS 2047.
- **The Retraining Barrier:** Decades of heavy physical trade labor cause cumulative musculoskeletal wear (lumbar spine, knees, and shoulders). A 48-year-old installer cannot simply pivot into general carpentry, bricklaying, or manual civil labor. Nor can they transition into digital or office roles without multi-year structural retraining.
- **Structural Displacement:** ABS longitudinal labor force tracking confirms that mature-aged blue-collar tradespeople who suffer involuntary retrenchment experience the lowest re-employment rates in Australia, with **over 54% remaining on unemployment benefits for more than 12 to 24 months**.

5. Quantified Commonwealth Fiscal Burden: Social Security & Tax Losses

When small independent installation and glazing businesses fail, their workforce does not transition frictionlessly into factory assembly lines. They turn to the Commonwealth's social safety net.

If the proposed duties force a 20% to 30% contraction across Australia's 4,050 glazing and installation businesses, an estimated **2,500 to 3,800 tradespeople, fabricators, and transport drivers** will be displaced into unemployment. The resulting liability on Services Australia (Centrelink) and the Commonwealth Treasury is severe:

BUDGETARY IMPACT ITEM	PER PERSON (ANNUAL)	AT 2,500 DISPLACED WORKERS	AT 3,800 DISPLACED WORKERS
JobSeeker Base Payment (Single/Partnered weighted rate)	\$21,026	\$52.57 Million	\$79.90 Million
Commonwealth Rent Assistance (CRA) & Energy Supplement	\$3,450	\$8.63 Million	\$13.11 Million
Foregone PAYG Personal Income Tax & Medicare Levy	\$19,800	\$49.50 Million	\$75.24 Million
Foregone GST Collections & Superannuation Contribution Tax	\$6,500	\$16.25 Million	\$24.70 Million
Total Annual Fiscal Cost to the Commonwealth	\$50,776	\$126.95 Million	\$192.95 Million
4-Year Cumulative Budgetary Deficit	—	\$507.80 Million	\$771.80 Million

The policy reality is stark: protecting a small group of domestic fabricators threatens to generate a direct **\$507.8 million to \$771.8 million drain on Commonwealth finances** over four years through social security outlays and lost tax revenues.

6. Financial System Contagion: Asset Finance & Residential Mortgage Default Risk

Unlike large corporate entities that rely on unsecured commercial paper or corporate debt facilities, Australian subcontractors and small builders operate under personal balance sheets.

A. Specialised Commercial Equipment Debt

Modern architectural window installation demands heavy capital investment. In Ray Realty Subdivisions' direct subcontractor network, individual sole-proprietor installers carry significant asset finance obligations:

- Specialised tracked mini-cranes (spider cranes) and vacuum glass lifters: **\$180,000 to \$220,000** per unit.
- Custom commercial cab-chassis trucks fitted with A-frame glass transport racks: **\$110,000 to \$175,000** each.

These finance leases carry monthly debt-service obligations of \$3,500 to \$5,500 per business. When import supply freezes and window packages are cancelled, these machines sit idle. Lenders will repossess

equipment at deep auction discounts, leaving small business owners personally liable for the remaining deficiency balances.

B. Contagion to Residential Mortgages

The Reserve Bank of Australia (RBA *Financial Stability Review*) consistently highlights that small business bank loans, overdrafts, and trade supplier accounts in construction are overwhelmingly secured by **second mortgages over the proprietor's family home**.

- **Average Mortgage Exposure:** The average residential mortgage held by tradespeople and small subcontractors aged 35–55 across Victoria and New South Wales is approximately **\$640,000**, requiring monthly repayments of **\$3,950** at prevailing interest rates.
- **Total Residential Debt Exposure:**
 - Across 2,500 displaced small business proprietors: **\$1.60 Billion in residential mortgage debt**.
 - Across 3,800 displaced small business proprietors: **\$2.43 Billion in residential mortgage debt**.

When cash flow ceases due to tariff-induced border holds and cancelled installation contracts, trade creditors default immediately. Within 60 to 90 days, defaults cascade into mortgage delinquency, exposing over **\$1.6 billion in Australian family homes** to distressed bank sales and foreclosures.

7. Compounding the Housing Crisis & NCC 2022 7-Star Energy Standards

Australia is in the midst of an unprecedented housing affordability and supply crisis. The National Housing Accord targets the construction of 1.2 million new homes. Concurrently, the National Construction Code (NCC 2022) mandates strict **7-star NatHERS energy efficiency ratings** for all new residential dwellings.

In Climate Zones 6, 7, and 8 (encompassing Victoria and southern NSW), achieving 7-star compliance requires window system U-values (U_w) below 3.0 W/m²K. Standard single-glazed aluminium units produce U_w ratings of 5.5 to 6.5 W/m²K, rendering them legally non-compliant. Achieving compliance requires thermally broken aluminium and high-performance double glazing. However, domestic thermally broken extrusion capacity is heavily bottlenecked, with local fabricators operating at extended lead times and charging 40% to 65% premiums over AS 2047-certified imported systems.

- **Direct Homebuyer Cost Inflation:** Affordable imported architectural assemblies have allowed builders like Ray Realty Subdivisions to achieve 7-star compliance without inflating residential building contract prices by \$25,000 to \$45,000 per home. Provisional duties of 24.4% to 73.3% will directly pass through into house-and-land package prices, pushing homeownership further out of reach for Victorian families.
- **Architectural Degradation of Australian Homes:** If specialized architectural window systems become commercially unviable, small builders will be forced to redesign homes: shrinking window sizes, eliminating large glass sliding doors, removing alfresco openings, and reverting to generic standard stock sizes. Future Australian homes will suffer from compromised natural daylight, poorer thermal comfort, inferior cross-ventilation, and degraded streetscapes.
- **Disproportionate Penalty on Custom & Medium Builders:** Tier-1 volume project builders leverage national supplier agreements and rebates. In contrast, small and medium builders delivering bespoke subdivisions and custom homes depend on flexible, diversified supply chains. The proposed measures severely undermine small business competition while concentrating market dominance among a small cartel of domestic manufacturers.

8. Concrete Relief Requested from the Commission

Before the Commission finalises its report and recommendations to the Minister for Industry and Science in December 2026, Ray Realty Subdivisions Pty Ltd respectfully requests that the Commission:

1. **Execute a Comprehensive Economy-Wide Downstream Impact Study:** Conduct a rigorous cost-benefit assessment that explicitly measures the financial losses, contract cancellations, and insolvencies across Australia's 4,050 glazing and installation businesses, balancing them against the claimed injury to domestic extruders.
2. **Audit Domestic Manufacturing Capacity and Delivery Lead Times:** Verify whether Australian fabricators possess the technical tooling, specialized profiles, thermal break extrusion lines, and labor capacity to fulfill nationwide demand without causing catastrophic construction delays.
3. **Formally Model the Commonwealth Social Security Burden:** Collaborate with the Department of Employment and Workplace Relations and the Department of Social Services to quantify the projected JobSeeker expenditure and tax revenue losses resulting from trade-induced contractor displacement.
4. **Revoke or Substantially Lower Provisional Securities:** Immediately revoke the punitive 73.3% security rate established under Notice No. 2026/147, and re-calculate normal values on a commercially defensible basis to prevent ongoing residential housing projects from collapsing mid-construction.

9. Conclusion: Preserving Australian Construction Viability

Ray Realty Subdivisions Pty Ltd reaffirms its support for fair, lawful trade and robust Australian manufacturing. However, true national economic welfare cannot be achieved by walling off a small group of primary industrial fabricators while systematically undermining 12,570 independent installation workers, 4,050 small trade enterprises, and billions of dollars in active housing projects.

At a time when Australian families face unprecedented housing affordability stress, tradespeople face soaring debt-servicing costs, and the Commonwealth is mobilizing every resource to build 1.2 million homes under the National Housing Accord, imposing duties of 24.4% to 73.3% will directly worsen the housing crisis and place an avoidable hundred-million-dollar annual burden on the social security system.

We strongly urge the Commission to recommend against the imposition of definitive anti-dumping and countervailing measures, revoke the provisional securities under Notice No. 2026/147, and protect the broader Australian building ecosystem upon which our communities depend.

Yours faithfully,

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Director

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