



CCCMC

CHINA CHAMBER OF COMMERCE OF METALS,
MINERALS & CHEMICALS IMPORTERS & EXPORTERS

4 May 2026

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Dear Commissioners

Australian safeguards inquiry re fabricated structural steel imports

The China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters (“CCCMC”) appreciates this opportunity to present its views and to assist the Commission in its conduct of this inquiry.

Established in 1988, CCCMC is one of the most influential national industry organisations in China’s metals, minerals, and chemicals import and export sectors. CCCMC’s membership comprises both large enterprises and a substantial number of small and medium-sized enterprises. CCCMC members form a complete value chain membership structure covering upstream resource development to downstream production and export in the metals, minerals, building materials, and chemicals sectors. This allows CCCMC to present its views on behalf of a broad and diverse industrial membership base.

At the outset, CCCMC wishes to point out the important role Chinese manufacturers and exporters play in satisfying Australia’s demand for fabricated structural steel products (“FSS”). As both the empirical and statistical evidence provided in this submission will show, FSS from China has been a consistent, reliable, and critical source of supply for Australia’s infrastructure, mining and resources, and general commercial building sectors over the last decade, coinciding with the entering into force of the Australia-China Free Trade Agreement (“CHAFTA”) in 2015.

Amongst all countries exporting FSS to Australia, China’s supply of FSS has consistently represented over 70% of Australia’s import demand for most of the past decade. Importantly, there has not been any sharp surge of imports in recent times. Instead, as acknowledged by the proponent of this inquiry, the Australian Steel Institute (“ASI”), there has been increased overall demand for FSS since the Covid-19 pandemic, due to strong economic and infrastructure growth in Australia, especially in the large infrastructure and resources sectors. Chinese steel fabricators’ strong credentials and capability in meeting such demand, especially in terms of projects that require large scale custom-made products, in high quantities and within fast delivery timeframes, have been the key factors that have allowed Chinese exports to support and meet the demand for these projects in Australia.

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CCCMC has weighed up the evidence and considered the legal principles applicable to the imposition of safeguard measures, including the Commission’s mandate under Section 8 of the *Productivity Commission Act 1998*, and now presents its views and opinions on the Commission’s FSS inquiry mandate.

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A FSS is not “a product”

A threshold issue that the Commission will need to consider is the correct product scope. The proper definition of the subject product and the “like product” are of course essential to the Commission’s ability to conduct this inquiry.

Fabricated structural steel is not any particular kind of product. Little effort has been made to define what FSS “is” or “are” in the FSS safeguard measures manifesto that ASI delivered to the Treasurer,¹ other than to point out to a variety of *products* as covered by tariff classification heading of 7308, together with a selection of tariff items under 7308.10.00 and 7308.90.00.

¹ [Application for Australian Provisional and Definitive Safeguards](#), dated November 2025 (“the ASI document”), [steel-safeguards-application.pdf](#).

The difficulty with this identification of the “product concerned” is highlighted by the “abbreviated description” that the ASI provided in “*Table 1: HTISC Details*”, whereby the “products” are described as “bridges/bridge sections” and “light fabrication”. Clearly, “bridges/bridge sections” is a description of product type, whereas “light fabrication” is merely a degree or type of processing or manufacturing. “Light Fabrication” does not specify a “product”. The longer HTISC Description provided in the same table demonstrates that these products called “Light Fabrication” cover a large range of steel structures of different kinds and of different uses.

We acknowledge that neither the WTO Agreement on Safeguards (“the Safeguards Agreement”) nor Article XIX of the GATT 1994 (entitled *Emergency Action on Imports of Particular Products*) provide any restrictions on how products must be defined in a safeguard investigation, or on the accuracy and breadth of the definition. However, having a well particularised product is of course critically important for any investigating authority to properly carry out a safeguard investigation. This includes the need to make a determination as to the existence of “unforeseen developments” that resulted in the kind of increased imports of a “*specific product*” and “*each product*” rather than a “*broad category of products*”.²

Further, the scope of the subject product will also affect the Commission’s ability to discharge its obligation to make a determination as to the allegedly serious injury caused by increased imports to the domestic producers of “like or directly competitive products”. A vague or overly broad product scope means that it will be very challenging, if not impossible, for the Commission to be satisfied that its analysis correctly aligns with the domestic producers of “like or directly competitive products” because it will not know what they are.

The ASI’s assertion and characterisation of the large range of different products under tariff code 7308.90.00 as “Light Fabrication” is broad, vague, and ill-defined. Based on CCCMC’s own membership survey and understanding, the kinds of product covered by the various statistical code-based categories can cover a broad range of products spreading across large custom designed modular structures used for major infrastructure projects, structures used for commercial or mining sites, fencing used for farming, and miscellaneous building interior decorations. Products under different HTISC lines may also be part of the same type of product. This makes it impossible for the Commission to carry out its analysis with respect to any specific product.

Indeed, the alleged “FSS” under the customs tariff headings 7308.10 and 7308.90 involve products from distinct levels or stages of manufacturing, which correspond to producers and end users at distinct levels of the supply chain and market sectors, including:

- finished steel structural components directly utilized in construction, commercial, or mining projects – such as bridges, industrial building frameworks, integrated mining equipment structures, and structural components for ships;
- intermediate or semifinished steel structural members – such as semifinished components that require further assembly and processing within Australia to form the final structure; and
- semi-processed materials/components – such as semi-processed plates, bars, angle steels, profiles, pipes, and the like which serve as upstream materials for producing the finished or semi-finished products.

² WTO Appellate Body Report, *US - Steel Safeguards*, paras. 316 and 319.

The ASI itself seems uncertain as to what the “products” and “like products” are too. The ASI document appears to present claims that swing between “FSS”, “consolidated category of key FSS products”, “portal frame”, and what it calls “structures & parts thereof” under 7308.90.00.65 (which is a statistical code, and not even a tariff line item). The lack of consistency and accuracy is of serious concern. In the CCCMC’s opinion it prevents the Commission from being able to make a well informed determination with respect to any *specific product*.

The lack of focus on meaningful product definition is perhaps a result of the organisational and supply chain structure of steel products in Australia. The ASI is founded by and still heavily influenced by the domestic steelmaking monopolists, with all of the key steel input used for FSS production supplied by two main corporate groups, BlueScope Steel and the GFG Alliance Group. These upstream suppliers dominate the Australian steel market and have huge influence in the pricing, availability, and supply network for FSS products, and have been some of the most active users and beneficiaries of trade remedy measures over the last decade.

This safeguard inquiry is therefore effectively an extension of the entrenched anti-dumping based protection on the upstream product to the downstream product of certain vaguely defined “FSS” product, but without any consideration as to “dumping” or “subsidisation”. This is so that the entrenched market position of the dominant players can be further protected, and that the Australia steel market can be further insulated and isolated. Whether this is in the interest of the “FSS” industry, or its upstream suppliers, or the “ASI” membership, or the interest of the Australian public over all, is a question that the Commission will have to carefully engage in this inquiry.

Have steel trade remedies caused this call for further protection? Is it intended to entrench and further protect the market position of the dominant steelmakers and further insulate and isolate the Australia steel industry and market? How would a double-subsidised “steel” industry be in the interests of Australia, Australians, and of the Australian economy involving FSS overall?

B Unclear domestic producers of “like or directly competitive product”

As noted above, problematic presentation and coverage of subject product will impact and frustrate the Commission’s ability to ascertain the “like or directly competitive product” produced by domestic fabricators. This ambiguity as to what the industry comprises will have the knock-on effect of impacting and frustrating the Commission’s ability to make a determination as to the existence of serious injury or threat of serious injury to an identifiable industry.

The ASI document is particularly unhelpful in this regard. Despite its generalised claim that it has over 300 individual fabricator members,³ the document gives no indication as to whether any of them are in fact domestic producers of “like or directly competitive products” of any of the subject products. The level of disclosure and representativeness of the information presented worsens throughout the rest of the ASI document, as it proceeds to present injury claims from a “comprehensive survey” conducted in August 2024 of an undisclosed number of “Australian FSS fabricators and manufacturers”. The ASI document then seeks to make specific injury claims from apparent representative samples of a mere seven fabricators (which then turns out to be six), of undisclosed locations, none of whom appear to produce bridges. Based on ASI’s claim that its 348 members account for approximately 70% of total

³ According to the ASI website, the total number of “Fabricators” in its “industry directory” is 348: <https://www.steel.org.au/industry-directory/>

Australian capacity, these six or seven fabricators could represent anywhere between 0.1% to 69.9% of domestic production capacity.

Because the ASI document redacts all quantitative information, it is impossible to understand the representativeness of ASI's claim and sample, or even the level of injury being asserted. Further, based on the generalised "Profile" description, the Commission would not be able to determine what kind of "like or directly competitive product" these six or seven fabricators produce, with respect to either any or all of the subject imported product/s.

As a fellow industry association, CCCMC does not wish to come across as being too cynical. However the lack of basic meaningful disclosure, and the assertion-heavy and data-thin presentation in the ASI document are simply unhelpful for both the Commission and interested parties.

C Alleged "unforeseen developments" do not apply to FSS

The ASI asserts that several "unforeseen developments" resulted in increased imports of the kind that warrant a safeguard measure. This is misguided.

The ASI document identifies global overcapacity and trade policy measures, particularly US steel tariffs, as "*unexpected events [that] have resulted in the surge in FFS imports*". It claims that the mechanism via which this phenomenon occurs is the "*persistent global crude steel overcapacity... [that] drives down feedstock prices and exerts pressure on fabricators, exacerbating the incentive to push surplus FSS into export markets*"⁴; and that international tariff actions and policies are "*[redirecting] global steel flows*".⁵ Such claims are somewhat fashionable but in reality they have limited application to or impact on the FSS market in Australia.

First of all, the existence of any such over-capacity in crude steel production or upstream commodity steel product does not automatically apply to FSS. This is because "*the Australian FSS market is primarily made-to-order, whether serviced by the local industry or imports*".⁶ FSS is not a "to-go" product which can be shipped whenever excess is available on the shelves. As such, the existence of any excess capacity cannot in itself translate into increased production and exports/imports. This is supported by the data that the ASI presents in relation to Chinese FSS production:

The China Steel Structure Association (CSSA) reported that in 2022, the industry processed 101.4 million tonnes of fabricated steel structures, with average utilisation of 78.4 percent. Despite this, exports accounted for only 3.8 percent of surveyed output...⁷

As such, any over-production or overcapacity of crude steel cannot simply be transformed into FSS, nor can any overcapacity in FSS production translate into production without specific project demands.

In Australia, "global overcapacity" is not a recent observation. It was extensively discussed in the Senate Inquiry into "*The future of Australia's steel industry*" conducted between 2015 to 2017. In the report produced by the Economics References Committee, a graph shows "*dramatic increase in the*

⁴ ASI document, para. 99.

⁵ ASI document, para. 121.

⁶ ASI document, para. 70.

⁷ ASI document, para. 102 (footnote omitted).

number of fabricated imports” since 2010, as presented by the ASI.⁸ In 2019, the ASI’s own publication stated that:

*Domestic production now supplies only half the steel used in fabricated construction having lost over 5 per cent market share since 2010.*⁹

Based on Figure 7 of the ASI document¹⁰, domestic production has supplied substantially more than “half” of the domestic FSS market during CY2022, CY2023, and CY2024, being about 61%, 60% and 55% respectively, each of which is higher than the claims made in ASI’s presentation in 2019.

These historical accounts highlight that there is nothing “recent” or “sudden” about either the perceived global over capacity in the steel industry or the alleged increases in competition from imports.

Further, whilst CCCMC agrees with ASI’s characterisation of the US steel tariffs and the proliferation of steel trade remedy measures as globally disruptive,¹¹ these trade remedy measures have little connection to fabricated structural steel. For example, the EU steel safeguards concern a select range of products which only fall under HS codes beginning in 7208 to 7229, and 7301 to 7306. They do not include fabricated steel structures under 7308. Most of the products covered form part of the range of inputs used for fabricated steel. Whatever may be the case regarding the effects such measures may have on the supply chain of FSS production in the European market, no impact on the trade flows and volumes of FSS products in Australia is apparent. To the extent that any trade flow diversion effect would transpire at the upstream steelmaking level, the Australian FSS manufacturers would benefit from increased competition in the upstream supply chain, which would lower their cost of production.

In any case, protectionist trade policies and trade measures have a long history in the steel industry and are not exactly a new phenomenon. There is no evidence that these US or other international measures have resulted in any sharp increase in imports of FSS into Australia. Instead, as ASI acknowledges, any increased imports were directly attributable to “a significant amount of one-off government stimulus for infrastructure, which caused a significant increase in demand for FSS”¹² after the Covid-19 pandemic. Such strong demand, combined with abnormally high ocean freight during the peak pandemic period of 2020 to 2022¹³, saw lower imports during 2020 and 2021, and highly incentivised the domestic supply of FSS. This continued well into 2023, before being disrupted by unsustainable price levels, cost blowouts, and raw material shortages caused by the shutting down of Liberty Steel’s Whyalla plant in 2024.¹⁴

⁸ *Australia’s steel industry: forging ahead*, Senate Economics References Committee, pp. 15 and 16

⁹ See <https://www.steel.org.au/resources/elibrary/resources/making-steel-stronger-securing-the-future-of-the-a/?view=download>, p. 4.

¹⁰ ASI document, para. 83.

¹¹ ASI document, pp. 30-33.

¹² ASI document, para. 55.

¹³ The Reserve Bank of Australia reports that, from 2020 to 2022, “some measures of shipping costs increased to around eight times their pre-pandemic levels.” See <https://www.rba.gov.au/publications/bulletin/2025/jul/how-do-changes-in-global-shipping-costs-affect-australian-inflation.html#:~:text=Movements%20in%20global%20shipping%20costs,the%20Panama%20Canal%20each%20year> and see also Graph 1 contained in same.

¹⁴ See <https://www.abc.net.au/news/2024-08-20/whyalla-steelworks-blast-furnace-shutdowns-coking-coal-shortage/104244430>.

In any case, as we will demonstrate in Section D of this submission, Chinese exports of fabricated structural steel to Australia have remained steady and have not surged since 2022. Indeed, available evidence does not support the allegation that there has been a recent sharp increase in FSS imports to Australia.

D Unsubstantiated and unreliable allegation of increased imports

1 ASI's allegation of increased imports does not stack up

For a safeguard measure to be justifiably imposed, the alleged increase in imports should be evident in both end-point-to-end-point analysis and an analysis of intervening trends.¹⁵ Crucially, the increase in imports must be recent enough, sudden enough, sharp enough, and significant enough, both quantitatively and qualitatively.¹⁶

To assess whether such requirements have been met, WTO Panels and the Appellate Body have considered that the investigation period should be sufficiently long to allow appropriate conclusions to be drawn regarding the trend in imports and injury,¹⁷ and should be the recent past, noting the use of the phrase “*is being imported*” under Article 2 of the Safeguards Agreement.¹⁸ In addition, there must be a focus on *recent* imports.¹⁹ An investigation period of around five years has been found to be acceptable by previous panels.²⁰

Accordingly, CCCMC has focused its analysis on the last five years for which data are available, in accordance with the Commission's previous practice and consistent with the WTO jurisprudence that has emerged regarding the acceptable investigation periods to be applied. CCCMC has obtained import data from the Australian Bureau of Statistics (which has been claimed as a source by ASI) as well as official data from Chinese customs. The result of that analysis is that:

- (a) the data presented in the ASI document appears to be affected by errors, and should be closely examined with caution by the Commission; and
- (b) reliable official sources indicate there is no evidence to support the alleged sharp increase in imports that is needed to justify a safeguard measure.

a ASI data is inconsistent with official sources

The first problem with the data presented by the ASI is that it is inconsistent with other official sources that do not depict the kind of trend of increased imports as alleged by the ASI.

¹⁵ Panel Report, *Argentina – Footwear (EC)*, paras. 8.156-8.157. See Appellate Body Report, *Argentina – Footwear (EC)*, para. 129, confirming the Panel's finding.

¹⁶ Appellate Body Report, *Argentina – Footwear (EC)*, para. 131.

¹⁷ Appellate Body Report, *US – Lamb Meat*, fn 88.

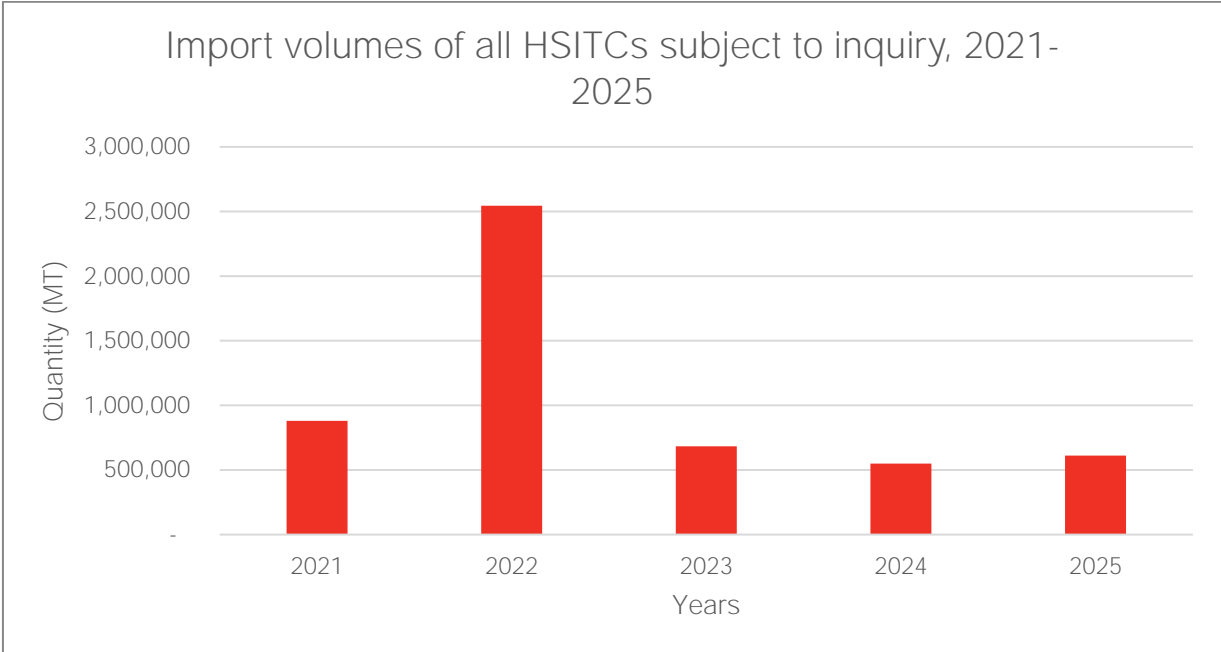
¹⁸ Appellate Body Report, *Argentina – Footwear (EC)*, para. 130.

¹⁹ Panel Report, *US – Line Pipe*, para. 7.199. See also Appellate Body Report, *Argentina – Footwear (EC)*, para. 130.

²⁰ Panel Report, *US – Line Pipe*, para. 7.201.

ASI claims that imports of FSS increased year on year from CY2022 to CY2024, “achieving historically high levels in recent years”.²¹ The ASI cites the sources of its graphs as “Australian Bureau of Statistics and Australian Steel Institute”, or “Australian Bureau of Statistics”, or “Australian Bureau of Statistics and Oxford Economics Australia”. It is unclear why three different data sources are cited and what their differences are. The Commission should question these presentations and assertions. All three sources identified ABS as at least a key part of ASI’s data source, yet the ABS data obtained by CCCMC contradicts ASI’s presentation.

ABS data obtained by CCCMC shows that imports of FSS overall have in fact declined between 2021 and 2025, with the total import volume from CY2021 dropping by 38% in CY2024 and nearly 31% in CY2025.²² The trend visible from the ABS data directly opposes ASI’s claim.²³

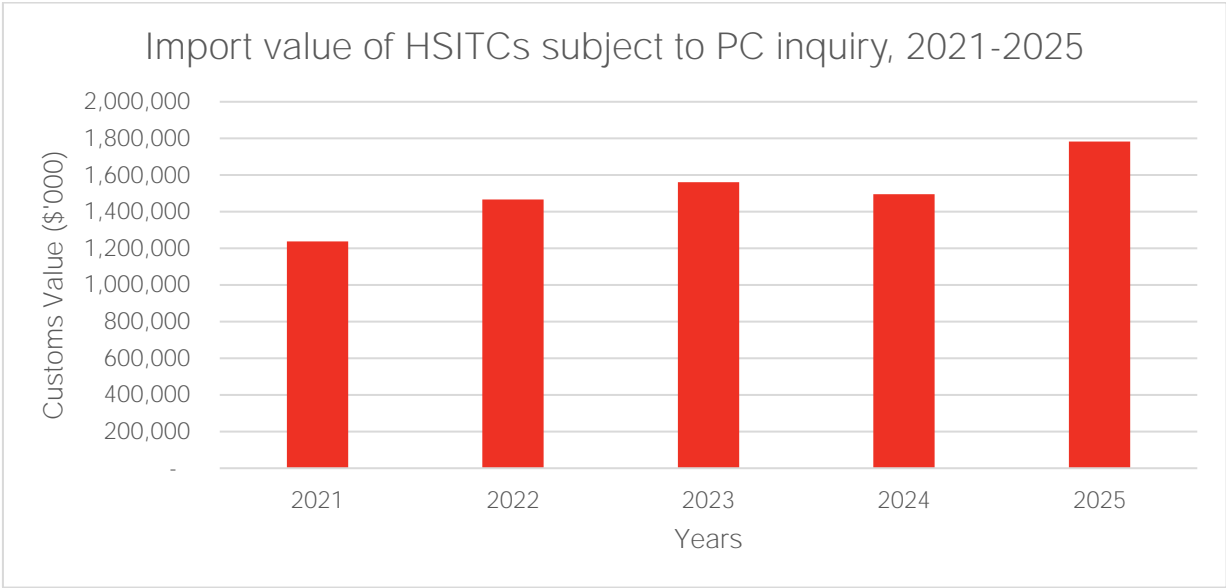


Graph 1: Import volumes of HSITCs subject to PC inquiry from 2021 to 2025. Based on Australian Bureau of Statistics data.²⁴

CCCMC observes that the ABS data depicts an irregularly high volume of imports in CY2022, something which is not observable in any of the ASI demonstrations. Could it be that the ASI has amended the ABS data because it considered the extraordinarily high import volume shown for CY2022 as being a data entry error? CCCMC also expects that the irregularly high volume is due to data entry errors. Because FSS products are a range of highly diverse and customised downstream products, some entries may have used different units of measurement. The potential error in the ABS data is partly demonstrated by the value and unit price information – which would show some entries having unrealistically low unit prices. Further, when one examines the trend of total imports *value*, the value

²¹ ASI document, para. 38. “FSS” in this context presumably refers to all HTISCs subject to this inquiry, although as CCCMC has observed above, the ASI document is unclear and inconsistent in its reference to the product.
²² Refer to tab “Graph 1” of Confidential Attachment 1 – ABS import data.
²³ Refer to ASI document, para. 66, Figure 3.
²⁴ Refer to tab “Graph 1” of Confidential Attachment 1 – ABS import data.

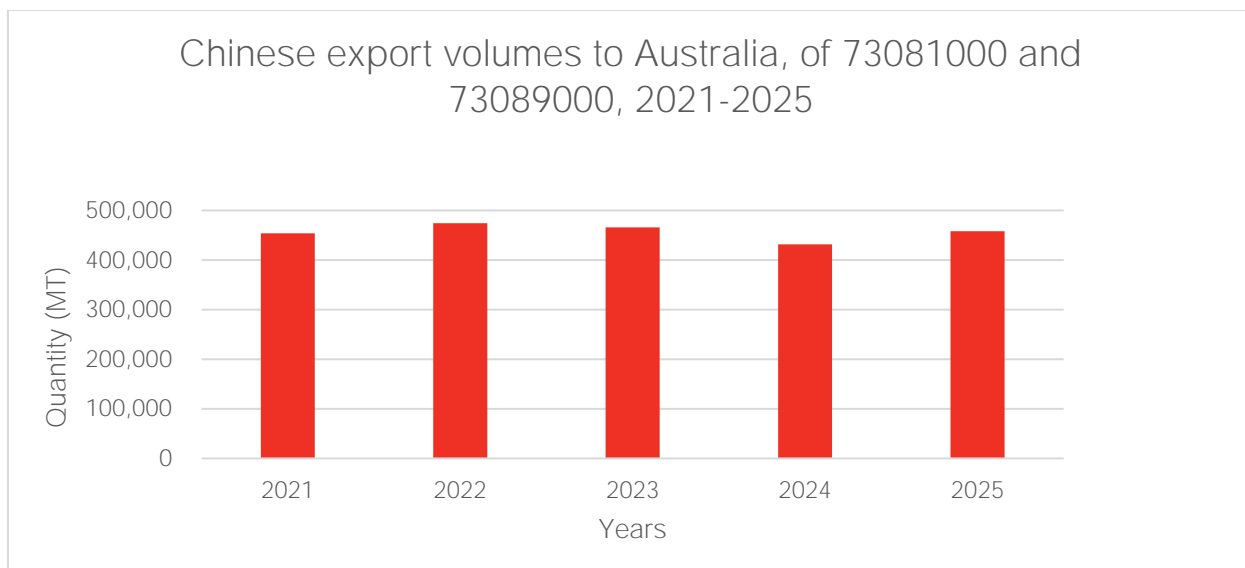
data shows relatively steady level of imports over the five years, which also point to a possible error in the volume-based statistics:



Graph 2: Import value of HSITCs subject to PC inquiry, 2021-2025. Based on Australian Bureau of Statistics data.²⁵

CCCMC now presents the Commission with the official export data obtained from General Administration of Customs of China (“China Customs”). The Chinese customs data provides valuable insights to the trends in Australian FSS trade and acts as an additional source of information to verify any potential errors in the ABS data:

²⁵ Refer to tab “Graph 2” of Confidential Attachment 1 – ABS import data.



Graph 3: Chinese customs export data relating to 73081000 and 7308900. Based on data from the General Administration of Customs of China²⁶

The Chinese export data indicates that there has not been a surge in exports of FSS from China to Australia over the recent five years.

The bottom line is that the ASI demonstration is inconsistent with the ABS data that it purports to use. It appears manipulated in some way to present a trend of increase of imports over the past three years which are contrary to verifiable import and export data. As such ASI's claims should be rejected.

b There are no "increased imports" as required by Article 2

The second issue is that the ABS data, whether as shown in this submission or from the ASI document, shows no signs of sharp increases in imports as alleged.

Even if we are to assume that there was an increase in CY2022, the requirements articulated under WTO jurisprudence with respect to Article 2 of the Safeguards Agreement have not been met. The increase cannot be characterised as recent, being over three years ago, and was not sustained. Furthermore, the period from 2023 to 2025 clearly demonstrates that import levels have stabilised, and are showing a downwards or fluctuating trend, rather than an upwards one. This is consistent with the ASI's observation that there had been "a significant amount of one-off government stimulus for infrastructure, which caused a significant increase in demand for FSS"²⁷ in 2021/2022.

Thus, ASI's assertion of a "surge" is inconsistent with WTO rules and is not supported by its own data. Notably, ASI claims that Figure 4 (in relation to HTISC 7308.90.00.65) represents "sustained surge over

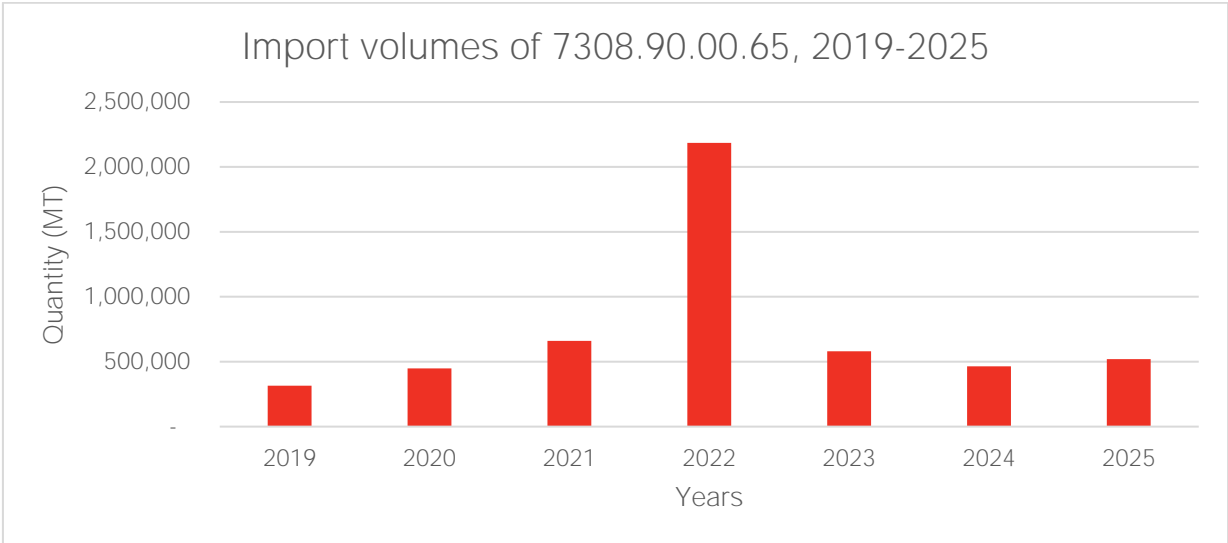
²⁶ Refer to tab "Graph 3" of Attachment 2 – Chinese customs data. Sourced from the Official Statistics Website of the General Administration of Customs of the People's Republic of China, at <http://stats.customs.gov.cn/>.

²⁷ ASI document, para. 55.

the extended CY2019 to CY2024 period for these imported goods.²⁸ It repeats again, at paragraph 70, that the HTISC code “experienced a pronounced surge”²⁹ from CY2019 to CY2024.

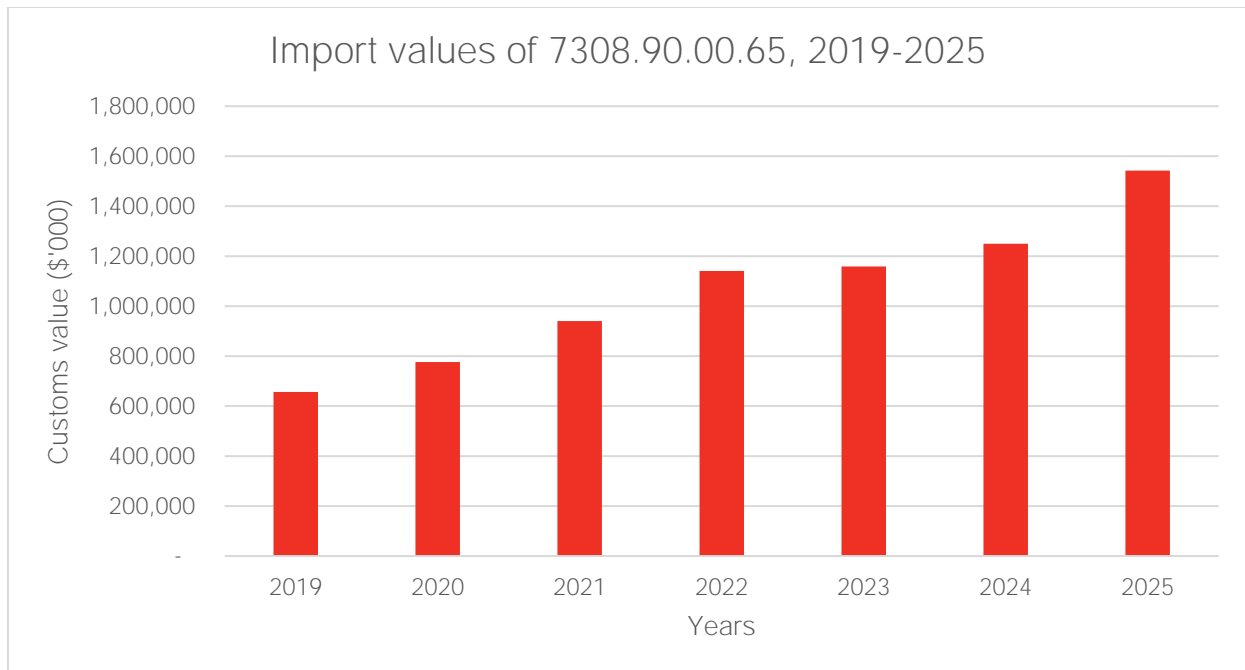
Respectfully, CCCMC reminds that *the product* claimed by ASI’s document is “FSS”, which covers the full scope of the twelve HTISCs. It follows that the data relating to only one of twelve HTISCs has limited probative value and cannot be used to find that there has been an increase of the nature required under Article 2 for the product.

Further, and once again, ASI’s Figure 4 graph is unsupported by the ABS data which it cites as the source of its allegation. The ABS data as obtained by CCCMC displays a similar spike in import quantity in CY2022 as shown in Graph 1 above, which is potentially erroneous, and does not otherwise show a sustained surge in imports with respect to HTISC 7308.90.00.65:



Graph 4: Import volumes of 7308.90.00.65 from 2019 to 2025. Based on Australian Bureau of Statistics data.³⁰

²⁸ ASI document, para. 67 (emphasis added).
²⁹ ASI document, para. 70 (emphasis added).
³⁰ Refer to tab “Graph 4” of Confidential Attachment 1 – ABS import data.



Graph 5: Import values of 7308.90.00.65 from 2019 to 2025. Based on Australian Bureau of Statistics data.³¹

It is noticeable that Graph 5 holds a much closer likeness to ASI’s Figure 4 graph. This would suggest that ASI may have presented the total import *value*-based graph as a demonstration of import *tonnes*. However, CCCMC reminds that it is the quantity, not the value, which is central to meeting the requirements of Article 2.³²

In any case, ASI’s presentation would fail to make-out the “*sudden enough*” requirement posed by WTO jurisprudence. Whether or not it is labelled a “surge” by the ASI, the alleged increase has transpired over a period of five years. This steady increase demonstrates a systematic and steady development over time occurring in the market, rather than a sudden change. Indeed, the ASI itself has characterised this as “*growth over this five-year period... as it demonstrates a restructuring of the FSS industry to import reliance...*”³³

Once again, CCCMC urges the Commission to dismiss the questionable presentation of import statistics by the ASI. The Commission should find that there is no evidence to support a finding of any sudden, significant, sharp, and recent increase of FSS imports, nor are there such increased quantities of FSS which are “*being imported*” as required under Article 2 of the Safeguards Agreement for the purpose of imposing any safeguard measure.

c No relevant increase in imports from China

Graph 3 above obtained from China Customs further demonstrates that there has been no relevant (that is, sharp enough, sudden enough, or significant enough) increase with respect to imports from China. Rather, from 2021 to 2025, there was only a 0.9% increase in export volume to Australia,

³¹ Refer to tab “Graph 5” of Confidential Attachment 1 – ABS import data.

³² Panel Report, *Argentina – Footwear (EC)*, para. 8.152.

³³ ASI document, para. 72 (emphasis added).

representing a compound annual growth rate of a mere 0.18%.³⁴ The level of imports attributable to Chinese origin has also stabilised in recent years, overall declining from approximately 516,000 tonnes to approximately 441,000 tonnes from 2023 to 2025.³⁵

As such, CCCMC submits that imports from China could not have contributed to any “spike” or “surge” in imports in recent times, even if such increases existed.

E No clear indication of serious injury

To the extent that an increase in imports cannot be established, CCCMC expects that the Commission may exercise economy and refrain from further analysis of “serious injury” and causation. Nonetheless, CCCMC provides its comments for the Commission’s consideration should it choose to proceed with such analysis.

1 The alleged injury is not representative

The Appellate Body in *US – Lamb*, remarks on the standard of injury required by the Safeguards Agreement as follows:

The standard of 'serious injury' set forth in Article 4.1(a) is, on its face, very high....we note that the word 'injury' is qualified by the adjective 'serious', which, in our view, underscores the extent and degree of 'significant overall impairment' that the domestic industry must be suffering, or must be about to suffer, for the standard to be met. ... [I]n making a determination on ... the existence of 'serious injury' ... panels must always be mindful of the very high standard of injury implied by these terms.³⁶

In our view, the ASI has not presented evidence that could allow a proper consideration and assessment of whether this legal standard has been met. The “domestic industry of like products” conundrum highlighted in Section B of this submission again manifests itself here. The data presented by the ASI is confined to a very small slice of the domestic industry and with respect to only one type of the product subject to this inquiry. All injury claims provided from paragraph 131 to 141 in ASI’s document relate to merely six sampled questionnaire replies from the “portal frame sub-sector”. Logically and legally, this cannot be representative of the whole of the domestic industry producing “like or directly competitive” FSS.

As highlighted above, injury and causation must be considered with respect to *each specific product*. Further, the investigation authority is “*required at a minimum to consider each injury factor with respect to all*” of the product.³⁷ Where only a particular segment is assessed, that assessment will only be sufficient to meet the requirements of Article 4 if:

...there is an adequate explanation in the report published..., of (i) why conclusive inferences from data concerning one industry segment can be drawn for another industry segment, or (ii) why the factual constellation in particular industry segment in the given case does not permit data collection (i.e, not a ‘factor of a objective and quantifiable nature’), or (iii) renders a certain

³⁴ Refer to tab “Graph 2” of Attachment 2 – Chinese customs data.

³⁵ Refer to tab “China-origin imports” of Confidential Attachment 1 – ABS import data.

³⁶ Appellate Body Report, *US – Lamb*, paras. 124 and 126

³⁷ Panel Report, *Argentina – Footwear (EC)*, para. 8.137 (emphasis added).

injury factor not probative in the circumstances of a particular industry segment (i.e. not a factor 'having a bearing on the situation of that industry' within the meaning of SG article 4.2(a))³⁸

In other words, it must be positively demonstrated how alleged injury to the six sample fabricators, out of over 300, and only with respect to the “portal frame sub-sector” can be extended to apply to the rest of the “FSS” industry. To the extent that ASI claims that representativeness is simply achieved because the sector is “statistically relevant”³⁹, the alleged injury presented by ASI does not meet the requirements articulated by the Panel in *US – Lamb* above. The particular experiences of six fabricators in the “portal frame sub sector” are specific to their individual experiences and not reflective, or not necessarily reflective, of the WTO standard for assessing the performances by the industry for FSS as a whole (including bridges, bridges sections, and other intermediate and semi-finished components).

The fact that the ASI has not presented any evidence with respect to FSS products sectors such as bridges requires the Commission to automatically exclude such products from this inquiry.⁴⁰

In order to demonstrate that serious injury has been suffered by the domestic industry as a whole and to satisfy the requirements of Article 4 of the Safeguards Agreement, comprehensive data in relation to each segment of the FSS market is required. The Commission has not been presented with sufficient evidence to make an assessment with respect to either particular segments, or the “FSS” industry as a whole.

2 Six inconsistent and inconclusive samples do not establish serious injury

The ASI document claims to have sampled seven fabricators in the portal frame sub-sector but then presents its “*analysis of the Australian FSS producer market*”⁴¹ relying only on replies from “*Fabricator #1*” to “*Fabricator #6*”, i.e. six instead of seven fabricators. Apart from the inherent deficiencies of these six samples themselves, the information presented with respect to the six fabricators does not depict a consistent picture of “serious injury”.

Australia’s notification of this inquiry to the WTO suggests that “*there was a marked increase in imports in 2021... after which they have remained significantly elevated*”.⁴² However the indices presented by the ASI show that the sales volume and value for the sampled domestic producers increased in FY2023 and FY2024 from the base FY2022 level. More notably, absolute profit levels were nearly *double* the FY2022 level in both FY2023 and FY2024. These are not signs of serious injury.

Further, declines in performance across the six fabricators in FY2025 were not consistent with respect to all sampled entities. For example, Fabricator #5 maintained production volume in FY2025 with only a

³⁸ Panel Report, *US – Lamb*, para. 7.141 (emphases added).

³⁹ ASI document, para. 25.

⁴⁰ As an example of such product segment-based analysis, we refer to Productivity Commission’s Safeguards Inquiry into the Import of Processed Fruit Products. The Commission found that safeguard measures for processed citrus products were not warranted, because of the absence of domestic industry producing like products and because of the absence of serious injury claims. Further, the Commission found that safeguard measures for “other processed fruit products” are not warranted, because such product represented an insignificant part of the domestic industry’s business and is not considered to be able to contribute to any serious injury to the domestic industry. *Productivity Commission Inquiry Report No. 67*, 12 December 2013.

⁴¹ Refer to ASI document, p. 36, subheading “i” onwards.

⁴² See [G/SG/N/6/AUS/5](#), p. 2.

6.25% decline compared to FY2022, and achieved an 8.72% *increase* in sales value, 30.77% *increase* in employment, and a 106.92% *increase* in profit comparing the same periods.⁴³

CCCMC also notes that, the sample index presented by ASI contains internal inconsistencies. The index tables described the columns in financial years, e.g. FY2022 to FY2025, but the same tables appear to claim the base year data as being a calendar year (“*Index CY2022 = 100*”). The inconsistency is also highlighted by contrasting the total sales volume in the index table with ASI’s claim that domestic FSS supply *declined* in CY2024 in Figures 2, 5 and 7 respectively. Instead, the Index tables show that total sales volumes and value of the six samples were maintained at a high level throughout FY2022, FY2023, and FY2024, and only declined in FY2025.

CCCMC submits that there is no conclusive evidence of “serious injury”, even with the highly selective presentation of an extremely small sample group.

F Factors unrelated to imports influenced domestic production

To the extent that the economic performance of domestic producers of FSS did decline in more recent time, such decline can be attributed to a confluence of factors outside of increased imports. These include self-infliction, lack of capability, and systemic supply chain issues in the Australian domestic steel environment. The injury caused by these factors must be separately considered and must not be attributed to any alleged increased imports.⁴⁴

1 Self-inflicted injury due to market correction

The Australian domestic industry has injured itself due to the unfortunate timing of investment decisions in response to government intervention and incentives. As per the ASI document, the “*Australian FSS industry had invested heavily in both increased staffing and new equipment to meet the increased stimulus-driven demand, to only then find utilisation levels dropping as Australian demand decreased and FSS import volumes increased simultaneously.*”⁴⁵

Stimulus-driven demand is an inherently temporary phenomenon, which ought to have been known by the Australian industry – which has a long history of claiming “global over capacity” in the steel sector – at the time it happened. Increased imports (which again, did not occur) cannot be blamed for the domestic industry’s choice to over-invest based on artificially stimulated demand and temporary market growth. This stimulus-chasing and poorly timed investment choice can be observed from the “employment” level index with respect to the six sampled fabricators in the ASI document, which shows increased employment in both FY2023 and FY2024 before a correction occurred in FY2025.

Further, even based on ASI’s own depiction of the volume and trends of the total Australian “FSS” market in Figure 7, it can be observed that domestic FSS supply increased between CY2022 and CY2023 despite a small dip in market share. CY2024 represented the only year in which domestic supply declined, but the decline was much more than the growth in imports for the same period.

⁴³ ASI document, pp. 37-41.

⁴⁴ Refer to Article 4.2(b) of the WTO SA. See also Panel Report, *Korea – Dairy*, paras. 7.89–7.90, providing the basic approach to determining causation.

⁴⁵ ASI document, para. 57.

This indicates that the decline in domestic supply was not replaced by imports. Instead, it was likely attributable to a market correction in response to unsustainably high prices, as shown by the *doubled* profit of the sampled six; a slowdown in demand due to the short-term nature of government incentives; and a crunch in domestic production. These are unrelated to and independent from any impacts of allegedly increased imports.

2 Systemic upstream supply issues have injured domestic FSS production

The Australian FSS industry depends on two domestic steel groups for its supply of upstream steel raw materials for the production of fabricated structural steel, being the GFG Alliance (“GFG”) owned Liberty Primary Steel and Infrabuild, and BlueScope Steel (“BlueScope”). Crucially, with limited exception with respect to hollow sections, there is virtually no domestic competition between GFG and BlueScope.

CCCMC understands that four out of the “*five separate input product categories*” are only or mostly supplied by the GFG companies, being hot rolled structural sections, hollow structural structures, beams, and merchant bars.

Further, four of five input product categories have been either the subject anti-dumping and countervailing actions in Australia, or are subject to existing anti-dumping and countervailing duties.⁴⁶ This has two important implications for the domestic FSS sector:

- (a) Firstly, production capability of domestic FSS producers is highly reliant on raw material supply from the two main domestic supplier groups. Instability or unreliability of supply from these upstream inputs flows down and affects all downstream fabrication. That instability or unreliability is then prevented from being properly corrected and supported by imports due to the effect of anti-dumping measures.
- (b) Secondly, domestic FSS producers’ costs of production are also highly dependent on both the pricing behaviour of GFG and BlueScope and the import prices affected by the anti-dumping and countervailing measures. In combination with the anti-dumping measures and lack of Australian domestic competition, Australian domestic producers of inputs are not incentivised to price competitively – ultimately flowing downstream to create unsustainable inflationary pressure on fabricated structural steel products.⁴⁷

The unreliability of GFG, particularly its Whyalla operation, must have been particularly damaging for Australian domestic FSS production as well. We refer to the following significant disruptions over the recent times:

- March 2024 to May 2024 – months long shutdown;⁴⁸

⁴⁶ See for example, ADC [EPR 223](#) and [EPR 642](#) in relation to beams, applied for by OneSteel Manufacturing Pty Ltd (i.e. GFG Alliance); ADC [EPR 584](#) in relation to merchant bar, applied for by Infrabuild NSW Pty Ltd; ADC [EPR 590](#) in relation to hollow structural sections, applied for by Austube Mills Pty (parent company Infrabuild) and Orrcon Manufacturing Pty Ltd (parent company BlueScope Steel); ADC [EPR 638](#) for Q&T steel plate applied for by Bisalloy Steels Pty Ltd; and ADC [EPR 688](#) in relation to flat rolled steel products applied for by BlueScope Steel Limited.

⁴⁷ CCCMC notes that this issue has already been well-described by a submission to the Inquiry. See submission 23 – CS Traders, at <https://assets.pc.gov.au/2026-04/sub023-steel-safeguards.pdf?VersionId=u8yfRNUCUwEXm8UjrpmROX8iLsHxQtvX>.

⁴⁸ <https://www.abc.net.au/news/2025-01-06/whyalla-steelworks-resumes-steelmaking-gfg-says/104787144>

- August 2024 to January 2025 – prolonged shutdown;⁴⁹
- February 2025 – intervention by state Government, took control of Whyalla steel mill;
- March 2025 – 36 hours shutdown;⁵⁰
- March 2026 – 36 hours shutdown for “urgent” maintenance;⁵¹
- early April 2026 to present - *“offline since early April, and is unlikely to resume operations until mid-May”*⁵²

It is not a secret that by the time government-appointed administrators took control of Whyalla it was in a “state of disrepair”, and that it *“[had] sustained a long period of underinvestment, inadequate or no maintenance, poor health and safety practices, [and had] insufficient spare parts and inefficiencies operationally and financially”*.⁵³

The significant shock and disruption in the Australian domestic supply chain of key semi-finished products used for FSS production appear to be hugely influential to the FSS domestic industry’s performance. This is especially the case with respect to the prolonged shutdown during 2024 and directly explains the substantial decline in domestic production in CY2024 and FY2025. The Whyalla situation would have prevented the domestic FSS industry from accessing key steel material inputs, which in-turn would have exacerbated the ability of fabricators to compete in the FSS market at competitive rates.

Tellingly, it was reported that Liberty Steel at Whyalla and the GFG companies enjoyed a record profit in FY2021 and FY2022,⁵⁴ the profit then having been used to *“repay GFG Alliance creditors and secure a funding agreement to restructure the debt of Sanjeev Gupta’s international empire”*,⁵⁵ shortly after the collapse of its financier Greensill in March 2021. In retrospect, GFG’s push for record profit during 2021 and 2022, coinciding with government incentives around the same time, may have created an unsustainable market condition with respect to the downstream FSS production, which was destined for a correction. The condition was one where inflationary pressure was built from both the upstream supply chain (increased prices and record level profit) and surge in market demand (fuelled by incentives), that was unsustainable. The market correction would have climaxed when the domestic FSS producers found themselves unable to access supply from GFG either at a market price or at all due to the shutdowns in Whyalla for most part of the 2024; and as the Australian FSS market systemically restructured its supply chain and was forced to resort to more imported FSS products to

⁴⁹ <https://www.abc.net.au/news/2025-02-23/timeline-whyalla-steelworks/104955888>;
<https://www.abc.net.au/news/2024-08-20/whyalla-steelworks-blast-furnace-shutdowns-coking-coal-shortage/104244430>; <https://www.abc.net.au/news/2025-01-06/whyalla-steelworks-resumes-steelmaking-gfg-says/104787144>

⁵⁰ <https://www.abc.net.au/news/2025-03-18/whyalla-steelworks-blast-furnace-faces-new-shutdown/105067978>

⁵¹ <https://www.abc.net.au/news/2025-03-18/whyalla-steelworks-blast-furnace-faces-new-shutdown/105067978>

⁵² <https://www.afr.com/companies/manufacturing/whyalla-steelworks-five-week-shutdown-causes-chaos-for-builders-20260427-p5zr9n>

⁵³ <https://www.abc.net.au/news/2025-03-18/whyalla-steelworks-blast-furnace-faces-new-shutdown/105067978>

⁵⁴ <https://www.theaustralian.com.au/business/mining-energy/whyalla-steelworks-deliver-for-sanjeev-guptas-liberty-primary-metals/news-story/607f1a177c40708a64be91bac6f8db97>

⁵⁵ <https://www.abc.net.au/news/2021-10-11/gfg-alliance-australian-operations-help-repay-international-debt/100528808>

meet construction project requirements. As such, imports are not the *cause* of the recent situation affecting domestic FSS producers. Instead, increased demand for imports is the *result* of a significantly disrupted domestic supply chain.

3 Capability to meet market demand

ASI claims that the Australian industry is capable of meeting the growing demand of public infrastructure projects:

Infrastructure Australia's 2024 Infrastructure Market Capacity Report highlights a robust five-year major public infrastructure pipeline valued at AU\$213 billion. Despite a slight decrease from the previous year, demand remains high, with several market capacity constraints inhibiting the timely and budgeted delivery of projects. The ASI submits that the Australian FSS producing industry has the capacity and capability to fulfil the requirements of this pipeline of projects.

Furthermore, Australia's population growth, particularly in regions like Western Sydney, outer Melbourne, and South East Queensland, necessitates substantial infrastructure development.⁵⁶

Such projects are often accompanied by requirements for highly technical design and fabrication capability, large fabrication capacity, and strict delivery timeframes. It is evident that these major public infrastructure projects will require fabricators that have the particular capabilities necessary to fulfil these requirements. Based on CCCMC's survey of Chinese producers, this is where Australian FSS industry often falls short.

ASI reports that:⁵⁷

the majority of market participants are small enterprises with less than 50 employees

and that:

with some notable exceptions, the Australian FSS industry is essentially comprised of small and medium size enterprises;

and also:

Larger and stronger FSS producers are able to continue to find work locally, mostly by outbidding smaller FSS businesses. In the process, the larger producers become much more inefficient as they are not structured to undertake smaller projects. This can be viewed as a cannibalisation of the weaker by the relatively stronger market participants.

This is consistent with Chinese producers' feedback gathered by CCCMC, which has indicated that Australian FSS producers, being mostly small and medium enterprises, are not well-placed to provide the economies of scale or technical capability needed on these large-scale projects. This is particularly the case for complex projects, which are increasingly budget conscious, order very large fabricated

⁵⁶ ASI document, paras. 74 and 75 (footnotes omitted).

⁵⁷ ASI document, paras. 18 and 29.

products, and have tight timeframes from design to delivery. These include many mining and resources projects, as well as major infrastructure projects such as the West Gate Tunnel and Brisbane Olympics.

It is because of these domestic industry capability gaps that imports play the important role of supplementing local production. Rather than increased importations, it is the domestic FSS industry's own limitations which prevent it from effectively participating in the growing market for FSS.

G Safeguard measure, whether provisional or final, is not warranted

CCCMC respectfully submits that the evidence before the Commission simply does not meet the legal requirement for the imposition of safeguard measure of any kind. We submit that this has been well-evidenced and well-established in this submission.

As an industry association from China, CCCMC does not intend to opine on whether a safeguard measure as demanded by ASI meets a public interest test in Australia. Nonetheless, CCCMC respectfully points out the following for the Commission's consideration:

- Imports from China have consistently played a valuable role in supporting Australia's FSS requirements, with no apparent surge in recent times.
- Imports from China play an important role in major infrastructure and construction projects that are critical for Australia's economic growth. Chinese exporters offer reliable and timely FSS product supply at a reasonable cost, due to the availability of skilled labour, strong engineering capability, advantage in scale, and experience.
- For many projects supplied by Chinese FSS producers, Australian domestic supply cannot meet the demand either in terms of capacity or capability.
- Australian FSS producers face structural challenges in terms of the upstream supply chain; the sector's own issues concerning scale, capability, and high labour cost; and the increasing cost pressure from the market – none of which can be "adjusted" or "corrected" by a safeguard measure.
- There are *already* existing domestic measures or policies protecting domestic FSS producers, through "local content" mandates, especially in government funded projects. Several submissions made in this inquiry point out that domestic FSS producers missed out on certain projects because the "local content" requirements were not properly implemented. The Commission must consider if a safeguard measure is required *in addition* to the existing and possible future local content requirement, and the overall economic and public interest impact.
- Unlike consumer products, FSS products play a key role in important economic sectors. Their availability and cost efficiency are critical to Australia's economic growth. A quota based safeguard measure limiting the availability of key source of imports, such as those from China, or a tariff based measure that substantially increases the cost of imports, would likely have a profoundly negative impact on the broader Australian public and the public interest.
- Any safeguard measure on FSS products will worsen existing inflationary pressures on the Australian economy and affect the timely and within-budget delivery of a wide range of construction projects. The current oil crisis stemming from the Iran Conflict, which has already

had a disproportional impact on oil prices and freight costs that is affecting Australia and its key trading partners in the Asia-Pacific region, only exacerbates the circumstances.

CCCMC appreciates the Commission's consideration of this submission and will offer its continued support and collaboration to the Commission's conduct of this inquiry.

As demonstrated above, CCCMC strongly believes that the legal, factual and policy conditions for the imposition of a safeguard measure on FSS products are not met. There are also critical deficiencies and discrepancies in key data concerning both domestic producers and imports. The data requires proper disclosure and scrutiny in order for interested parties to make necessary contributions and for the Commission to make sound determinations.

CCCMC stands ready to provide the Commission with necessary assistance, especially in terms of reliable and representative trade statistics for any consideration of import quota, or in terms of the inclusion or exclusion of specific products.

CCCMC has refrained from making comments concerning the type of measure or the suitable level of any such measures in this submission. Again, the available evidence indicates that no measures should be imposed at all.

FOR AND ON BEHALF OF CHINA CHAMBER OF COMMERCE OF METALS, MINERALS & CHEMICALS IMPORTERS & EXPORTERS

, Legal Counsel
, Legal Counsel