

30 September 2026

Catherine de Fontenay
Commissioner
Productivity Commission
GPO Box 1428
Canberra ACT 2601

Sent via email: safeguards@pc.gov.au

Fabricated structural steel safeguards: Interim report

Dear Commissioner,

The Chamber of Minerals and Energy of Western Australia (CME) is the peak representative body for the resources sector in WA. CME is funded by member companies responsible for 18 per cent of Australia's company tax receipts and 42 per cent of Australia's pipeline of major resource and energy infrastructure projects.¹

Key positions

CME does not believe that introducing provisional or definitive safeguard measures against the imports of certain fabricated structural steel (FSS) products is warranted or appropriate.

CME notes the Productivity Commission's (PC) findings that the World Trade Organization's legal conditions for applying safeguard measures are not met. Even if they were met, it would not be in the public interest.

Context

Safeguard measures such as tariffs on FSS imports would negatively affect the global cost competitiveness of Australia's resources sector by increasing construction costs and potentially impacting investment, workers and businesses. This would undermine efforts under the Australian Government's Future Made in Australia agenda to develop new value-adding industries across critical minerals, green metals, hydrogen and low carbon liquid fuels.

Feedback from CME's critical mineral members indicates that tariffs of 50 per cent on FSS products would increase construction costs for one plant by 30 to 40 per cent and increase the construction costs of supporting infrastructure at another plant by 15 per cent.

In addition to cost impacts, quotas or tariff rate quotas would negatively affect the timeliness of proposed project schedules, reducing a project's ability to get to market during favourable price windows and therefore make projects less viable.

Given competing demand across the resources and defence industries in WA,² the local fabricated structural steel industry is unlikely to have the capacity or capability to fabricate the required volume or size of specialised structural steel, platework, pipework and other long-lead items needed for processing plants, mining and port infrastructure, wind farms and power stations across WA.

¹ Excludes fringe benefits tax, petroleum resource rent tax, fuel excise duty, offshore royalties and levies. CME, [2024-25 Economic Contribution: Australia, 2024-25 Economic Contribution: WA Iron Ore](#), 30 March 2026. The Treasury, [Final Budget Outcome 2024-25](#), Australian Government, 29 September 2025, Note 3: Taxation revenue by type, p 39. By known estimated value in WA, excluding completed projects. Department of Industry, Science and Resources, [Resources and energy major projects: 2025 Report](#), Australian Government, data as of 31 October 2025, 19 December 2025.

² BAE Systems, [Hunter at Henderson: WA shipyard supporting the delivery of the Royal Australian Navy's new anti-submarine warfare frigates](#), 25 May 2026. Australian Tenders lists 14 steel-related active tenders and 50 steel-related awarded contracts since 2024 in WA. [ICN Gateway](#) lists 58 steel-related open and closed work packages in WA.



In addition, FSS tariffs would raise the overall cost of transmission infrastructure (e.g. high-voltage terminals, lattice towers and other transmission structures), increasing final electricity costs for every industry in Australia and worsening the cost-of-living for households. Similarly, quotas or tariff rate quotas would likely delay Australia's progress toward its interim emission reduction targets.

CME looks forward to the PC making a final determination that the conditions for definitive safeguard measures on FSS imports are not met.

Should you have any questions regarding this submission, please contact Aaron Walker, Head of Economics,

Yours sincerely,

Aaron Morey

Chief Executive Officer