In the Productivity Commission

Peikko Australia Pty Ltd

Consideration of safeguard measures with respect to fabricated structural steel imports

2 October 2026

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As per our submission dated 1 May 2026, we act for Peikko Australia Pty Ltd ("Peikko").[1]

A Peikko supports the Commission's key points

Peikko supports the Commission's finding, in its interim report, that the conditions for definitive safeguard measures are not met, including its assessment that the fabricated structural steel industry as a whole is not experiencing serious injury, and submits that the finding should be maintained in the final report.[2]

Peikko also supports the Commission's recognition that safeguards on fabricated structural steel would impose costs on Australian constructors that would contradict what Peikko sees as being a singularly important policy guideline under Section 8 of the *Productivity Commission Act 1998* ("the Act") namely, *"improv[ing] the overall economic performance of the economy through higher productivity in the public and private sectors in order to achieve higher living standards for all members of the Australian community"*. In this regard the evidence provided by Master Builders Australia, on the exacerbation of already high input prices that the adoption of safeguard measures would cause to project costs and delivery in the mining, engineering and civil construction industries, was particularly compelling.[3]

Quite rightly, the benefits to domestic fabricators of the higher prices they would be able to charge if tariffs and consequentially prices in the Australian market were to increase must be weighed against the detriment of the additional costs that safeguards would impose on Australian businesses and projects using fabricated structural steel. The Commission's approach of considering effects across the economy

1 See Peikko Australia, *Consideration of Safeguard Measures with Respect to Fabricated Structural Steel Imports* (Submission to the Productivity Commission, 1 May 2026).

2 See Productivity Commission, *Fabricated Structural Steel Safeguards: Interim Report* (Report, September 2026), p 2.

3 See Master Builders Australia, *Fabricated structural steel safeguards* (Submission to the Productivity Commission, 24 April 2026), p 10.

when assessing the public interest is mature, logical, and administratively compliant with the Commission's remit in a safeguards measures inquiry. As also advanced by Peikko in our earlier submission, the national interest extends beyond the financial position of particular industry participants; the adverse effects of any measure on consumers, importers and downstream users must be considered, in the context of wider, statutorily defined, national interest objectives.[4]

The other policy emphases under the Act which are of importance to all Australians, and to Peikko itself as a multinational enterprise with "sustainability" at its core, are those relating to good environmental outcomes. Section 8(1) of the Act makes two important references to sustainability.

The first is in Section 8(1)(c), which refers to the *"encourage[ment and] the development and growth of Australian industries that are efficient in their use of resources, enterprising, innovative and internationally competitive"*. Peikko's lightweight steel sections contribute to the efficiency of the downstream Australian industries whose very sincere and highly informative interested party submissions gave both evidence and justification for the findings assembled by the Commission.

Whether "for" or "against" the imposition of tariff restrictions, all stakeholders will benefit from maintaining open borders for innovative products that promote the research, development and enterprise required to make Australian fabricators internationally competitive.

The second signpost pointing towards sustainability as a key policy guideline is Section 8(1)(i), which requires the Commission to *"have regard to the need… to ensure that industry develops in a way that is ecologically sustainable"*. The Peikko organisation published its most recent Sustainability Report, for the 15th year in a row, in May this year. It proudly states Peikko's identity in this passage:

> *Peikko Group Corporation is a leading global supplier of slim floor structures and connection technology for concrete construction. Our innovative solutions offer a faster, safer, and more sustainable way to design and build.*[5]

Peikko asks the Commission to retain the reasoning advanced in the interim report, and not to recommend the imposition of safeguard measures on imported fabricated steel structures, in its final report. For all of the legal reasons substantiated in the interim report, Peikko agrees:

- *that the increase in imports, either absolutely or relative to domestic production is not recent, sudden, sharp and significant enough to meet the thresholds required;* and
- *that the evidence does not show serious injury across the domestic fabricated structural steel industry, or the threat of such injury, that meets the high legal standard for safeguard measures,*[6]

and that because of the public interest issues that sit in the background of the Commission's mandate, safeguard measures are unwarranted.

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4 See Productivity Commission, *Fabricated Structural Steel Safeguards: Interim Report* (Report, September 2026), in particular p 10:

> *The Productivity Commission is called upon to begin the calculation of this balance, considering not only whether safeguard measures are justified, but whether they are in the national interest. Further, the Commission must consider its general policy guidelines in promoting the subject Australian industry to be enterprising, innovative, internationally competitive, ecologically sustainable, and must be attentive to Australia's social and economic goals and international commitments in doing so.*

5 See *Peikko Sustainability Report (VSME) 2025)*, page 4.

6 See Productivity Commission, *Fabricated Structural Steel Safeguards: Interim Report* (Report, September 2026), p 2.

B Good news for the connected industries

Peikko submits that the evidence cited by the Commission on mining, engineering and civil construction deserves particular attention. For example, Master Builders Australia's evidence identifies intensive structural steel use and few viable substitutes in those sectors. It explains that higher steel costs would raise output prices and could reduce project viability or scale, or extend construction timeframes. It also identifies particular exposure in high-rise and high-density residential and commercial projects. Peikko endorses the Commission's use of this evidence to illustrate the potential flow-on effects of safeguards.

Peikko also draws attention to the scale of the construction activity discussed in the report. The Commission refers to Infrastructure Australia's forecast of $1.14 trillion in construction expenditure between 2024-25 and 2028-29 when explaining why demand for fabricated structural steel is expected to remain strong.[7] Peikko relies on that forecast as context for the broader construction pipeline.

Preserving competition in a market that the Commission expects will exhibit significant and increasing vitality over the next four years, unfettered by tariff barriers, is "good news" for all concerned.

C Recognition of national interest in the final report

The Commission's final report will inform a decision of the Australian Government. Peikko notes the applicant's stated intention to put further evidence to the Commission in support of its application.[8] Should the Commission's assessment change, or should the Government nonetheless decide to impose safeguard measures, Peikko submits that any measure should include a product exclusion mechanism, as outlined in our submission of 1 May 2026.

The case for such a mechanism is clearest where imported goods are proprietary engineered systems for which no Australian-made equivalent exists. Peikko's DELTABEAM composite beam is one example. It is designed to act compositely with in-situ concrete as part of a slim floor system, and it is not interchangeable with domestically fabricated beams. As the Commission has explained, a safeguard measure benefits the protected industry by increasing demand for domestically produced goods.[9] With respect to a measure capturing Peikko's DELTABEAM, demand for products of Australian fabricators would not be enhanced. Inclusion of our uniquely innovative DELTABEAM product would only increase the cost of Australian projects that have specified the system or wish to specify the system in the future. Such an outcome would be particularly harmful for projects employing DELTABEAM products that have already been specified, noting the Commission's comment that construction projects are designed, tendered and contracted months and in some cases years before delivery.[10]

Exclusion mechanisms are an established feature of the safeguard regimes of the European Union and the United States, where they are used to target measures and limit collateral harm to downstream users.[11] Such a mechanism would help ensure that any measure goes no further than *"the extent necessary to prevent or remedy serious injury and to facilitate adjustment"*, as the Agreement on

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7 Ibid, p 44.

8 In a Media Release of 3 September 2026, Australian Steel Institute chief executive Mark Cain said his organisation was "extremely disappointed" with the Commission's interim report. In particular the statement from *"We are working through the detail of the report to understand the reasoning behind the decision; and will make a final submission to provide evidence in support of the application."*

9 See Productivity Commission, *Fabricated Structural Steel Safeguards: Interim Report* (Report, September 2026), p 52.

10 Ibid, page 57.

11 See Peikko Australia, *Consideration of Safeguard Measures with Respect to Fabricated Structural Steel Imports* (Submission to the Productivity Commission, 1 May 2026), pp 8 to 10.

Safeguards requires,[12] and would reflect the Commission's own view that measure design should minimise unanticipated impacts.[13]

Despite the Commission's clear intention to deny the applicant's claim that safeguard measures be recommended, Peikko asks the Commission to flag that any measure the Government may choose to adopt incorporate an exclusion mechanism, with criteria based on technical distinctiveness and the absence of domestic supply. In that way any decision made by the Government in a way that was contrary to the Commission's recommendation would nonetheless comply to an important degree with the policy objectives the Commission is mandated by the Act to consider.

D Level playing field on technical standards

Lastly, Peikko would like to make some mention of the application of standards, and the importance of ensuring that they do not become a barrier to competition. In their submissions some parties have made the very good point that imported fabricated structural steel should be held to the same standards as Australian fabricated structural steel.[14] Equally, any response to concerns about the quality of imports should treat Australian and overseas suppliers alike. Peikko agrees that compliance, not origin, should be the test, and that this must extend to the procedures for obtaining certification as much as it extends to the products themselves. As the Commission has observed, concerns about technical compliance should be addressed directly, through standards, conformity assessment and enforcement, rather than through a safeguard measure that would raise the price of compliant and non-compliant imports alike.[15]

Peikko's production is certified to ISO 3834-2 and EN 1090, and its factories supplying Australia hold American Institute of Steel Construction and Canadian Welding Bureau certifications.[16] Peikko held a Steelwork Compliance Australia certification until 2023, and was one of only a few non-Australian manufacturers to do so. Peikko applied for renewal of that certification when it expired, and participated dutifully in the audit process, but its application has not been progressed.

A common standard can only operate fairly if certification is available to overseas manufacturers on the same terms as domestic manufacturers. Peikko asks for no special treatment, only a fair opportunity to demonstrate compliance. Peikko submits that any policy response on standards compliance should ensure open and equal access to certification.

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Peikko again thanks the Commission for its consideration.

For and on behalf of the international Peikko Group of companies

Daniel Moulis
Partner Director

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12 See *Agreement on Safeguards,* opened for signature 15 April 1994, 1869 UNTS 154 (entered into force 1 January 1995) art 5.1; and Productivity Commission, *Fabricated Structural Steel Safeguards: Interim Report* (Report, September 2026), pp 57, 49, 55 and 57.

13 See Productivity Commission, *Fabricated Structural Steel Safeguards: Interim Report* (Report, 3 September 2026), p 54.

14 Ibid.

15 Ibid.

16 See Peikko Australia, *Consideration of Safeguard Measures with Respect to Fabricated Structural Steel Imports* (Submission to the Productivity Commission, 1 May 2026), p 7.