Analysis undertaken in the ABS DataLab environment: Referee report

This note summarises a review of the methodology used by the PC to undertake analysis of in-scope fabricated structural steel imports and injury analysis of the fabricated structural steel industry in the ABS DataLab environment, for the purposes of informing the inquiry into fabricated structural steel safeguards.

Final statement

Overall, the codebase I have reviewed pulling together information on imports of fabricated structural steel, and constructing measures of the performance of domestic fabricated structural businesses (as identified by the PC), appears correct. I noted a few small conceptual and coding issues in the code that I reviewed, and these have since been addressed.

Jonathan Hambur, 16 November 2026

Original feedback from Jonathan Hambur and PC responses

Issue	PC response and corrective action taken
For your BLADE analysis you seem to only be bringing in firms within the ABN list you constructed. **One thing to be careful of is whether there are other ABNs that are part of the group that are not in your list.** **If that's the case its possible they are doing some of the reporting for the ABN of interest (e.g. as part of a tax consolidated or BAS reporting group).** **It's possible that you have already covered the broader reporting structure in your ABN list itself, so this might not be an issue, but just flagging in case.**	We have brought in additional ABNs with matching BG_ID values and consolidated them into the relevant business_IDs. This affected only a small number of fabricators, below the clearance threshold of 10.
For the business collapsing you seem to be collapsing by weight for things like division. One thing to be aware of here is this might mean firms are shifting between, for example, division, across years. This might cause some issues for any sums you do at a division level, or for deflating, where that's done using division deflators.	We apply the same deflation approach across all divisions, using the ABS's published manufacturing industry (Division C) values. Changes in a firm's division classification therefore do not change the deflator applied.

Issue	PC response and corrective action taken
Was there a reason you preferred BAS over BIT wages? In general, my preference is BIT. More generally I tend to be a bit wary of mixing BAS and BIT concepts together in measures.	We have revised the labour-inference function and associated measure to prioritise BIT over BAS. We retain BAS as a fallback where BIT reports no labour expenses, judging the additional coverage to outweigh the loss of consistency from combining sources.
I am sometimes a little wary of the cost of sales BIT measure in BLADE, given it's not something firms that firms I think have to report on. So would want to make sure key findings are robust to measures not using it/check coverage.	We have done additional checks to ensure the validity of this measure. For 2016–17 to 2023–24, within our core population (Group 1, diversification score 1), cost of sales is reported in 93% of firm-years where BIT reports either income or expenses, as defined in project_schema.R and schemas.R. On average, it represents 54% of total expenses and is reasonably stable over time. This gives us confidence in its coverage and materiality.
I'm not sure the TFP calculation is quite right, based on what I could track through. You use the firms labour costs to calculate the factor inputs, but ideally, you would be doing something like calculating the industry factor share, and using this along with fte/headcount to construct the factor input (implicitly calculating the production function in real terms, and leveraging that). So I would be a bit wary of this measure. • **An issue with the way you have it is, for example if a firm has high true TFP, it will tend to pay higher wages. By subtracting the actual wage payments, you will bias down TFP for that firm.**	We have rebuilt the TFP calculation based on your proposed methodology (confirmed in separate correspondence).
Summary by turnover quartile might be using FTE quartile data in line 989 of 4a	We have corrected the code that was using FTE quartiles instead of turnover quartiles. Quartile results were not used in the interim report and were not intended to be included for publication in the final.
One conceptual point, and not sure if this is important in the context of your work, but sometimes imports could be indirect through some middle-man entity (e.g. import agent) and not link to the firm directly. So just something to be aware of.	We recognise that imports through intermediaries may not be linked directly to the fabricators in our population. This limitation is clearly acknowledged in the body of our report. We therefore treat our firm-level importing measures as indicative, rather than comprehensive.