PUBLIC FILE

APPLICATIONFOR ANTI-DUMPING DUTIES

TRADE MEASURES BRANCH

AUSTRALIAN CUSTOMS SERVICE

The application should be sent to the

National Manager

OR

Director Dumping Liaison Unit

Trade Measures Branch
Australian Customs Service
Customs House
5 Constitution Avenue
CANBERRA ACT 2601

OR

By facsimile to (02) 6275 6888

Applicants must provide:

- **Two copies of the application plus two non-confidential versions. (Refer to the section on 'Important Information' about preparing a non-confidential application); and**

- **Where possible, an electronic version of both the confidential and non-confidential application.**

Officer Justin Wickes
A/g National Manager
International Trade Remedies Branch
Australian Customs and Border Protection Service
Customs House
5 Constitution Avenue
CANBERRA ACT 2601
5 August 2011

Dear Officer Wickes,

Application for Dumping Duties on Electric Cables imported from China

Attached please find an application for dumping duties to be imposed on electric cable imported from China by Electra Cable Australia Pty Ltd.

As Principal of Richard Farrell & Associates, Import and Export Advisors I represent the Australian manufacturing sector comprising

- Prysmian Power & Telecom Cables & Systems Australia Pty Ltd
- Olex Australia Pty Ltd
- Advance Cables Pty Ltd

The Australian industry has been and continues to suffer material injury because of dumped imports from China. Supporting evidence of the industry's claims is attached. The industry is suffering material injury in the form of

- Under utilisation of production capacity
- Reduced return on investment
- Reduced profits
- Reduced profitability
- Staff retrenchments
- An inability to raise capital
- Loss of market share and,
- Loss of sales as a result of the dumped imports from China

The industry looks forward to assisting the Australian Customs and Border Protection Service and welcomes the opportunity to provide substantiating evidence of its assertions at the onsite investigation.

Should you have any queries please contact the writer.

Yours sincerely,

Richard Farrell

Principal

AUSTRALIAN CUSTOMS SERVICE

Application for Dumping and Countervailing Duties

DECLARATION

I request in accordance with Section 269TB of the Customs Act 1901 that the Minister publish in respect of goods the subject of this application:

✓ a dumping duty notice, or

× a countervailing duty notice, or

× a dumping and a countervailing duty notice

This application is made on behalf of the Australian industry producing like goods to the imported goods the subject of this application. The application is supported by Australian producers whose collective output comprises:

- 25% or more of the total Australian production of the like goods; and
- More than 50% of the total production of like goods by those Australian producers that have expressed either support for, or opposition to, this application.

I believe that the information contained in this application:

- provides reasonable grounds for the publication of the notice(s) requested; and
- is complete and correct.

Signature:.....

Name: LLYR ROBERTS

Position: MANAGING DIRECTOR / CEO

Company: PRYSMIAN POWER CABLES & SYSTEMS AUSTRALIA PTY LTD

ABN: 36 096 594 080

Date: 20 / 04 / 2011

AUSTRALIAN CUSTOMS SERVICE

Application for Dumping and Countervailing Duties

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- is complete and correct.

I believe that the information contained in this application:

- provides reasonable grounds for the publication of the notice(s) requested; and
- is complete and correct.

Signature:.....
Name: Gerard Buckle
Position: CFO & Director
Company: OLEX AUSTRALIA PTY LIMITED
ABN: 61 087 542 863
Date: 29/04/2011

AUSTRALIAN CUSTOMS SERVICE

Application for Dumping and Countervailing Duties

DECLARATION

I request in accordance with Section 269TB of the Customs Act 1901 that the Minister publish in respect of goods the subject of this application:

✓ a dumping duty notice, or

× a countervailing duty notice, or

× a dumping and a countervailing duty notice

This application is made on behalf of the Australian industry producing like goods to the imported goods the subject of this application. The application is supported by Australian producers whose collective output comprises:

* 25% or more of the total Australian production of the like goods; and

* more than 50% of the total production of like goods by those Australian producers that have expressed either support for, or opposition to, this application.

I believe that the information contained in this application:

* provides reasonable grounds for the publication of the notice(s) requested; and
* is complete and correct.

Signature: 

Name:.....David Jenkins.....

Position:..General Manager.....

Company:..Advance Cables..Pty. Ltd.....

ABN: 89 006 790 816

Date: 29 / 01 /2011

Contents

Important information

To initiate an investigation into dumping and/or subsidisation, Customs must comply with Australia's international obligations and statutory standards. This form provides an applicant industry with a framework to present its case and will be used by Customs to establish whether there are reasonable grounds to initiate an investigation. To assist consideration of the application it is therefore important that:all relevant questions (particularly in Parts A and B) are answered; and information that is reasonably available be supplied.

Customs does not require conclusive evidence to initiate an investigation, but any claims made should be reasonably based. An application will be improved by including supporting evidence and where the sources of evidence are identified. Simple assertion is inadequate to substantiate an application.

To facilitate compilation and analysis, the application form is structured in 3 parts:

Part A seeks information about the Australian industry. This data is used to assess claims of material injury due to dumping/subsidisation. Where an Australian industry comprises more than one company, each should separately prepare a response to Part A to protect commercial confidentiality.

Part B relates to evidence of dumping.

Part C is for supplementary information that may not be appropriate to all applications. However some questions in Part C may be essential for an application, for example, if action is sought against subsidisation.

All questions in Parts A and B must be answered, even if the answer is 'Not applicable' or 'None'. Where appropriate, applicants should provide a short explanation about why the requested data is not applicable. This will avoid the need for follow up questions by Customs.

Some questions require attachments to be provided. The attachment numbering sequence should refer to the question answered. For example, question A2.2 requests a copy of an organisation chart. To facilitate reference, the chart should be labelled Attachment A2.2. If a second organisation chart is provided in response to the same question, it should be labelled Attachment A2.2.2 (the first would be labelled Attachment A2.2.1)

During an investigation all interested parties are given the opportunity to defend their interests. Customs maintains a public record of the submissions made during an investigation. A non-confidential version of the application and any subsequent submissions must be provided for inclusion on the public record. A non-confidential submission should enable a reasonable understanding of the substance of the information submitted in confidence. If you cannot provide a non-confidential version, contact the Customs Dumping Liaison Unit ☎ (02) 6275-6066 for advice.

Industry financial data must, wherever possible, be submitted in an electronic format.

Electronic data facilitates more efficient analysis by Customs (for example analysis can commence sooner and transcription errors are avoided).
The data should be submitted on a standard double sided, high-density 3.5 inch floppy disk in IBM/MS-DOS format, or another format compatible with MS-DOS.
Microsoft Excel, or an Excel compatible format, is preferred.
If the data cannot be presented electronically please contact the Customs Dumping Liaison Unit ☎ (02) 6275-6066 for advice.

The application form requests data over several periods (P^1, P^2….P^n) to evaluate industry trends and to correlate injury with dumped imports. The labels P^1…P^n are used for convenience in this application form. Lodged applications should identify the period relevant to the data. This form does not specify a minimum period for data provision. However, sufficient data must be provided to substantiate the claims made. If yearly data is provided, this would typically comprise a period of at least four years (for example the current financial year in addition to three prior years). Where information is supplied for a shorter period, applicants may consider the use of quarterly data. Data must also be sufficiently recent to demonstrate that the claims made are current.

When an investigation is initiated, Customs will verify the claims made in the application. A verification visit to the Australian industry usually takes several days.
Applicant companies should be prepared to substantiate all Australian industry financial and commercial information submitted in the application. Any worksheets used in preparing the application should therefore be retained to facilitate verification.
During the visit Customs will examine company records and obtain copies of documents relating to the manufacture and sale of the goods.

PART A

INJURY

TO AN AUSTRALIAN INDUSTRY

IMPORTANT

All questions in Part A should be answered even if the answer is 'Not applicable' or 'None'. If an Australian industry comprises more than one company/entity, each should separately complete Part A.

For advice about completing this part please contact the Customs Dumping Liaison Unit on:

☎ (02) 6275-6066 Fax (02) 6275-6990

A-1 Identity and Communication.

Please nominate a person in your company for contact about the application:

Company	Contact Person	Address	Phone	Fax	Website/ Email
Prysmian Power &Telecom Cables &Systems Australia Pty Ltd ("Prysmian")	Llyr Roberts Chief Executive Officer / Managing Director	1 Heathcote Road, Liverpool NSW, 2170	(02) 9600-0290	(02) 9600 0876	Llyr.roberts @ prysmian.com
Olex Australia Pty Ltd ("Olex")	Gerard Buckle Director/ Chief Financial Officer	207 Sunshine Road, Tottenham VIC 3012	(03) 9281 4209	(03) 92814459	gerard.buckle@nexans.com.au
Advance Cables Pty Ltd ("Advance")	David Jenkins General Manager	20 - 26 Abbotts Road Dandenong South Vic. 3175	(03) 9706 4222	(03) 9706 4677	djenkins@ advancecable.com.au

If you have appointed a representative to assist with your application, provide the following details and complete Appendix A8 (Representation).

Name: Richard Farrell
Company Name: Richard Farrell and Associates
Address: PO Box 1024, Ivanhoe. VIC.
Telephone: 03 9497 4888
Facsimile:
E-mail address: richard@rfac.com.au

ABN: 58 110 895 284

A-2 Company information.

1. **State the legal name of your business and its type (eg. company, partnership, sole trader, joint venture). Please provide details of any other business names you use to manufacture/produce/sell the goods that are the subject of your application.**

   The names of the businesses seeking anti-dumping measures are as follows:
   (i) Prysmian Power Cables & Systems Australia Pty Ltd – Company
   (ii) Olex Australia Pty Limited – Company
   (iii) Advance Cables Pty. Ltd - Company

2. **Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.**

   Internal organisational charts for the applicant companies are included at Confidential Attachment A-2.2

3. **List the major shareholders of your company. Provide the shareholding percentages for joint owners and/or major shareholders.**

   (i) Prysmian Power Cables & Systems Australia Pty Ltd - 100% shareholder Prysmian Cavi e Sistemi Energia S.r.l.
   (ii) Olex Australia Pty Limited - wholly owned subsidiary of Olex Holdings Pty Limited Refer to electronic attachment A-2.2 for further details
   (iii) Advance Cables - 100% shareholding Mr. Leslie Alexander Bramblebee

4. **If your company is a subsidiary of another company list the major shareholders of that company.**

   (i) Prysmian Power Cables & Systems Australia Pty Ltd - 100% shareholder Prysmian S.p.A.
   (ii) Olex Australia Pty Limited - Olex Holdings Pty Limited is a wholly owned subsidiary of Nexans Australia Holding Pty Limited. Refer to electronic attachment A-2.2 for further details
   (ii) Advance Cables – N.A

5. **If your parent company is a subsidiary of another company, list the major shareholders of that company.**

   (i) Prysmian Power Cables & Systems Australia Pty Ltd - Prysmian S.p.A. is listed on the Milan Stock Exchange

(ii) Olex Australia Pty Limited - Nexans Australia Holding Pty Limited is a wholly owned subsidiary of Nexans Participations S.A. (a company incorporated in France), which in turn is a wholly owned subsidiary of Nexans S.A. (a company incorporated in France)

(iii) Advance Cables – N.A

6. Provide an outline diagram showing major associated or affiliated companies and your company's place within that structure (include the ABNs of each company).

See Attachment A2.6 for Prysmian and Olex information
Advance Cable – N.A.

7. Are any management fees/corporate allocations charged to your company by your parent or related company?

Answer provided in confidence to Customs by ACM.

8. Identify and provide details of any relationship you have with an exporter to Australia or Australian importer of the goods.

The applicant companies do not have any relationship with the exporters of the goods under consideration.

9. Provide a copy of all annual reports applicable to the data supplied in appendix A3 (Sales Turnover). Any relevant brochures or pamphlets on your business activities should also be supplied.

Answer provided in confidence to Customs by ACM.

10. Provide details of any relevant industry association.

Some or all of the applicant companies are members of:

- Australian Industry Group (AIG)
- Australian Electrical and Electronics Manufacturers' Association (AEEMA).
- CIGRE Australia - International Council on Large Electrical Systems

A-3 The Imported and Locally Produced Goods.

1. Fully describe the imported product(s) the subject of your application:

- **Include physical, technical or other properties.**
- **Where the application covers a range of products, list this information for each make and model in the range.**
- **Supply technical documentation where appropriate.**

The Goods Under Consideration ("GUC")are single and multi-core cables insulated with polymeric materials intended for use in electric installations at working voltages up to and including 1 kV with the following characteristics:

· suitable for connection to mains power supply; and

· comply with Australian Standards AS/NZS 5000.1 or AS/NZS 5000.2."

The goods under consideration fall into the following categories:

- flat cables, insulated and sheathed, with two cores and earth and with conductor area up to three square millimetres;
- building wire, insulated, unsheathed, single core and with conductor area from two to three square millimetres; and
- single core double insulated cable, insulated and sheathed and with conductor area from 12 to 60 square millimetres.

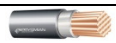
Essentially the cables are formed as follows:

The cables consist of one or a number of copper conductors (or alternatively aluminium conductors) that are insulated with plastic material being either Poly Vinyl Chloride ("PVC") or Cross-linked Polyethylene ("XLPE"). The insulated conductor(s) may then individually or in plurality be further protected with a sheath material of PVC to complete the cable.

Cables purport to comply with the requirements of Australian Standards AS/NZS 5000.1 or AS/NZS 5000.2 as is relevant.

The following list covers examples of Electra products subject to this application:

Cable Description

Category of Cable	Electra Catalogue Description	Insulation, Sheath Materials	Conductor Cross Sectional Area	Conductor – No. & Diameter of wire No/mm	Image – as a representation only	Electra Catalogue Number
Flat Twin & Earth	Building Wires - Flat	PVC Insulated, PVC Sheathed.	2.5 mm²	7/0.67		SRF3025V
Flat Twin & Earth	Building Wires - Flat	PVC Insulated, PVC Sheathed.	1.5 mm²	7/0.50		SRF3015V
Flat Twin & Earth	Building Wires - Flat	PVC Insulated, PVC Sheathed.	1.0 mm²	1/1.13		SR3010V
Building Wire	Building Wires – Single Core	PVC Insulated	2.5 mm²	1/1.78		SR1025V
Building Wire- Single Core Double Insulated (SDI)	Building Wires – Single Core, Double Insulated	PVC insulated, PVC sheathed	16 mm²	7/1.70		SDI1160V
XLPE/PVC Single Core	XLPE Cables – Copper Single Core	XLPE insulated, PVC sheathed	16 mm²	7/1.70		XLPE1160
XLPE/PVC Single Core	XLPE Cables – Copper Single Core	XLPE insulated, PVC sheathed	25 mm²	19/1.35		XLPE1250
XLPE/PVC Single Core	XLPE Cables – Copper Single Core	XLPE insulated, PVC sheathed	35 mm²	19/1.53		XLPE1350
XLPE/PVC Single Core	XLPE Cables – Copper Single Core	XLPE insulated, PVC sheathed	50 mm²	19/1.78		XLPE1500

Australian Cable Manufacturers ("ACM") items comparable with that of Electra's

ACM cable identifier	Electra Catalogue Number	Prysmian Catalogue Numbers	Olex Cables	Advance Cables
1	SRF3025V	5011111	CNCP07A1002WVAA	FT2E706V
2	SRF3015V	5010015	CNCP05A1002WVAA	FT2E7050V
3	SR3010V	5010022	CNCP02A1002WVAA	FT2E113V
4	SR1025V	5010183	BAAP07A1001AABK	BW767
5	SDI1160V	5010169	AABP15A1001WVBK	SDI7170V
6	XLPE1160	5023923	BDBP15AA001CXNA	XLPE16
7	XLPE1250	5013771	BDBC17AA001CXNA	XLPE25
8	XLPE1350	5013870	BDBC18AA001CXNA	XLPE35
9	XLPE1500	5013252	BDBC19AA001CXNA	XLPE50

A copy of the relevant pages from the Electra Catalogue (Data Sheets) follows:

"Cable No.1
Electra Cables
Product SRF3025V *is a flat style three core cable consisting of: Three stranded conductors (seven wires twisted together) of annealed copper with a nominal cross sectional area of 2.5mm². All conductors are insulated with V-90, a Poly Vinyl Chloride compound (PVC) suitable for 90ºC maximum continuous operating temperature.*

Each of the three cores is a different colour. Black, green and yellow striped for earth, and red. The three cores are laid together touching in a parallel manner, with the earth in the centre and sheathed (covered) with white 3V-90 PVC compound suitable for 90ºC maximum continuous operating temperature.
The cable is rounded rectangular in shape when looking at the cross section.

The cable sheath has printed information as required by the Standard identifying the:

- *Manufacturer or supplier of the cable*
- *Year of manufacture*
- *Designation of insulation*
- *'ELECTRIC CABLE' followed by the voltage rating. eg. 450/750 V*

*The cable is also printed with the product code, description and sequential metre marking to indicate length.The cable is wound onto a blue plastic spool for their own sales and also black plastic spools for supply to other cable manufacturers who then on sell as their own product. The label displays: Electra Cables, Building Wire, SRF3025V, 450/750V, 7/0.67(2.5mm²) x 2C+E Flat100m and a 15 digit number.The cable is also sold in 500 metre lengths.Information from the Electra website for "**Building Wires – Flat:"***

Application:	*"For general wiring, unenclosed, closed in conduit buried direct or in underground ducts for domestic, commercial and industrial installations where they are not subject to mechanical damage."*
Conductor:	*"Plain annealed copper wire."*
Insulation:	*"PVC V90"*
Sheath:	*"3V-90 Easytear"*
Voltage:	*"450/750V"*
Standard:	*"AS/NZS 5000.2"*

The specifications for this type of cable are listed in AS/NZS 5000.2:2006. Our internal Quality Control tests indicate that the cable does meet the dimensional specifications of AS/NZS 5000.2:2006 Table 1 and the conductor also meets the required resistance values as specified in ASNZS 1125:2001.

Cable No.2

Electra Cables

***Product SRF3015V** is a flat style three core cable consisting of: Three stranded conductors (seven wires twisted together) of annealed copper with a nominal cross sectional area of 1.5mm². All conductors are insulated with V90, a Poly Vinyl Chloride compound (PVC) suitable for 90ºC maximum continuous operating temperature.*

Each of the three cores is a different color. Black, green and yellow striped for earth, and red. The three cores are laid together) touching in a parallel manner, with the earth in the centre and sheathed (covered) with white 3V90 PVC compound suitable for 90ºC maximum continuous operating temperature.
The shape of the completed cable is rectangular when looking at the cross section.
The cable sheath has printed information as required by the Standard identifying the:

- *Manufacturer or supplier of the cable.*

- *Year of manufacture.*
- *Designation of insulation.*
- *"ELECTRIC CABLE" followed by the voltage rating. eg. 450/750 V.*

The voltage rating is 450/750 V. The cable is also printed with the product code, description and sequential metre marking to indicate length.The cable is wound onto a blue plastic spool for their own sales and also black plastic spools for supply to other cable manufacturers who then on sell as their own product. The label displays: Electra Cables, Building Wire, SRF3015V, 450/750V, 7/0.50(1.5mm²) x 2C+E Flat100m and a 15 digit number.The cable is also sold in 500 metre lengths.

*Information from the Electra website for "**Building Wires – Flat:"***

Application:	*"For general wiring, unenclosed, closed in conduit buried direct or ni underground ducts for domestic, commercial and industrial installations where they are not subject to mechanical damage."*
Conductor :	*"Plain annealed copper wire.*
Insulation:	*"PVC V90"*
Sheath:	*"3V-90 Easytear"*
Voltage:	*"450/750V"*
Standard:	*"AS/NZS 5000.2"*

The specifications for this type of cable are listed in AS/NZS 5000.2:2006. Our internal Quality Control tests indicate that the cable does meet the dimensional specifications of AS/NZS 5000.2:2006 and the conductor also meets the required resistance values as specified in ASNZS 1125:2001.

Cable No.3
Electra Cables
Product SRF3010V *is a "flat three core cable consisting of: Two single 1mm² cross sectional area, solid annealed copper conductors and one stranded (seven wires twisted together totalling 1mm²) annealed copper conductor for the earth. All conductors are insulated with V90, a Poly Vinyl Chloride compound (PVC), suitable for 90ºC maximum continuous operating temperature.*
Each core is a different color. Black, green and yellow striped for earth and red.
The three cores are laid together touching in a parallel manner, with the earth in the centre and sheathed (covered) with white 3V-90 PVC compound suitable for 90ºC maximum continuous operating temperature.
The completed cable is rounded rectangular in shape when looking at the cross section.
The cable sheath has printed information as required by the Standard identifying the:

- *Manufacturer or supplier of the cable.*

- *Year of manufacture.*
- *Designation of insulation.*
- *"ELECTRIC CABLE" followed by the voltage rating. eg. 450/750 V.*

The cable is also printed with the product code, description and sequential metre marking to indicate length.

The cable is wound onto a blue plastic spool for their own sales and also black plastic spools for supply to other cable manufacturers who then on sell as their own product.The label displays: Electra Cables, Building Wire, SRF3010V, 450/750V, 1/1.13(1mm²) x 2C+E Flat100m and a 15 digit number.The cable is also sold in 500 metre lengths.

*Information from the Electra website for "**Building Wires – Flat:"***

Application:	*"For general wiring, unenclosed, closed in conduit buried direct or ni underground ducts for domestic, commercial and industrial installations where they are not subject to mechanical damage."*
Conductor :	*"Plain annealed copper wire."*
Insulation:	*"PVC V90"*
Sheath:	*"3V-90 Easytear"*
Voltage:	*"450/750V"*
Standard:	*"AS/NZS 5000.2"*

The specifications for this type of cable are listed in AS/NZS 5000.2:2006. Our internal Quality Control tests indicate that the cable does meet the dimensional specifications of AS/NZS 5000.2:2006 Table 1 and the conductor also meets the required resistance values as specified in ASNZS 1125:2001.

Cable No.4
Electra Cables
***Product SR1025V** is a round single core cable. It has a nominal conductor cross sectional area of 2.5mm². The conductor consists of seven annealed copper strands twisted together. The insulation over the copper is V75, a Poly Vinyl Chloride compound (PVC) suitable for a maximum continuous operating temperature of 75ºC. The cable is sold in many colors including, but not limited to, green & yellow striped, black, grey, red, white and blue.*
The cable insulation is printed with the following information as directed in the AS/NZ Standard 5000.1:2005.

- *Registered name or registered mark, which enables the manufacturer or supplier of the cable to be identified.*
- *The words "ELECTRIC CABLE" and the voltage rating. Eg 0.6/1kV.*

The cable is wound onto a blue plastic spool. The label displays: Electra Cables, SR1025, 0.6/1kV, 7/0.67 (2.5mm²) S/C 100 METRES 100m and a 12 digit number.
The cable is also sold in 500 metre lengths.

*Information from the Electra website for "**Building Wires – Single Core:"***

Application: *"For switchboard and control panel wiring within other enclosures or apparatus where the cable is not accessible without the use of tools. Suitable for glanding "*
Conductor : *"Plain annealed copper wire."*
Insulation: *"PVC V75"*
Voltage: *"0.6/1kV"*
Standard: *"AS/NZS 5000.1"*

Single Core:

Conductor : *"Plain annealed copper wire."*
Insulation: *"PVC V90HT"*
Voltage: *"0.6/1kV"*
Standard: *"AS/NZS 5000.1"*

The specifications for this type of cable are listed in AS/NZS 5000.2:2006.Our internal Quality Control tests indicate that the cable does meet the dimensional specifications of AS/NZS 5000.2:2006 and the conductor also meets the required resistance values as specified in ASNZS 1125:2001.

Cable No.5
Electra Cables
Product SDI1160V *is a round single core cable. It has a nominal conductor cross sectional area of 16mm². The conductor consists of seven annealed copper strands twisted together. The insulation over the copper is V90, a Poly Vinyl Chloride compound (PVC) suitable for a maximum continuous operating temperature of 90ºC and most commonly red or black. The cable is sheathed with white 3V-90 PVC suitable for 90ºC maximum continuous operating temperature.*
The cable sheath has printed information as required by the Standard identifying the:

- *Manufacturer or supplier of the cable.*
- *Year of manufacture.*
- *Designation of insulation.*
- *"ELECTRIC CABLE" followed by the voltage rating. eg. 450/750 V.*

The cable is also printed with the product code, description and sequential metre marking to indicate length.

The cable is wound onto a blue plastic spool for their own sales and also black plastic spools for supply to other cable manufacturers who then on sell as their own product. The label displays: Electra Cables, Building Wire, SDI 1160V 450/750V, (16mm²) SDI V90 PVC ins, 5V-90 PVC SH 100m and a 15 digit number.

The cable is also sold in 500 metre lengths.

*Information from the Electra website for "**Building Wires – Single Core, Double Insulated:"***

Application:	*"For general wiring, unenclosed, closed in conduit buried direct or in underground ducts for domestic, commercial and industrial installations where they are not subject to mechanical damage."*
Conductor :	*"Plain annealed copper wire."*
Insulation:	*"PVC V75, V90,V90HT"*
Sheath:	*"3V-90, 4V-75 "*
Voltage:	*"1.0mm² to 25mm² is 450/750V to AS/NZS5000.2"*
Standard:	*"35mm² to 630mm² is 0.6/1kV to AS/NZS 5000.1"*

This cable's specifications are listed in AS/NZS 5000.2:2006. Internal Quality Control tests indicate that the cable does meet the dimensional specifications of AS/NZS 5000.2:2006 and the conductor also meets the required resistance values as specified in ASNZS 1125:2001.

Cable No.6

Electra Cables

***Product XLPE1160** is a round single core cable with a conductor nominal cross sectional area of 16mm². The conductor consists of seven annealed copper strands twisted together. The insulation over the copper is a compound of cross-linked Polyethylene (XLPE) suitable for up to a maximum continuous operating temperature of 90ºC and clear in appearance. The cable is sheathed with black 5V-90 PVC, a sheathing compound suitable for up to a maximum 90ºC continuous operating temperature. Printed on the cable sheath is the following information. "Electra Cables XLPE1160 16mm² 0.6/1kV" and sequential metre marking to indicate length.*

The cable is wound onto drums and labelled as per the relevant standard. The length of cable per drum can vary from full 500 metres to any non standard length to meet project applications.

*Information from the Electra website for "**XPLE Cables – Copper Single Core:"***

Application:	*"For mains, sub-mains and sub-circuits unenclosed, enclosed in conduit, buried direct or in underground ducts for buildings and industrial plants where not subject to mechanical damage. Suitable where space is at a premium and / or where conditions of overload may occur. Suitable to for glanding."*
Conductor:	*"Plain annealed copper wire."*
Insulation:	*"XLPE"*
Sheath:	*"PVC 5V-90 "*
Voltage:	*"0.6/1kV"*
Standard:	*"AS/NZS 5000.1"*

Cable No.7
Electra Cables
Product XLPE1250 *is a round single core cable with a conductor nominal cross sectional area of cable 25mm². The conductor consists of 19 annealed copper strands twisted together. The insulation over the copper is a compound of cross-linked Polyethylene (XLPE) clear in appearance and suitable for up to a maximum continuous operating temperature of 90ºC. The cable is sheathed with black 5V-90 Poly Vinyl Chloride, a PVC sheathing compound suitable for up to a maximum 90ºC continuous operating temperature.*

The cable sheath is printed with the following information. "Electra Cables XLPE 1250 25mm² 0.6/1kV" and sequential metre marking to indicate length.The cable is wound onto drums and the label displays: Electra Cables, XLPE Power Cable, 25mm² 0.6/1kV, Copper Conductor, X-90 ins 5V-90 PVC Sheath. 500m. It also has a batch / serial number.
The length of cable per drum can vary from full 500 metres to any non standard length to meet project applications.

*Information from the Electra website for "**XPLE Cables – Copper Single Core:"***

Application:	*"For mains, sub-mains and sub-circuits unenclosed, enclosed in conduit, buried direct or in underground ducts for buildings and industrial plants where not subject to mechanical damage. Suitable where space is at a premium and / or where conditions of overload may occur. Suitable to for glanding."*
Conductor :	*"Plain annealed copper wire."*
Insulation:	*"XLPE"*
Sheath:	*"PVC 5V-90"*
Voltage:	*"0.6/1kV"*

Standard: *"AS/NZS 5000.1"*

Our internal Quality Control tests indicate that the cable does meet the dimensional specifications of AS/NZS 5000.1:2005 and the conductor also meets the required resistance values as specified in ASNZS 1125:2001.

Cable No.8

Electra Cables

Product XLPE1350 *is a round single core cable with a conductor nominal cross sectional area of cable 35mm². The conductor consists of 19 annealed copper strands twisted together. The insulation over the copper is a compound of cross-linked Polyethylene (XLPE) clear in appearance and suitable for up to a maximum continuous operating temperature of 90ºC. The cable is sheathed with black 5V-90 PVC, a Poly Vinyl Chloride sheathing compound suitable for up to a maximum 90ºC continuous operating temperature.*

Printed on the cable sheath is the following information. "Electra Cables XLPE 1350 35mm² 0.6/1kV" and sequential metre marking to indicate length.

The cable is wound onto drums and the label displays: Electra Cables, XLPE 1350 Power Cable, 35mm² 0.6/1kV, Copper Conductor, X-90 ins, 5V-90 Sheath, 500m. It also has a batch / serial number and the range in which the 500m length falls within: Eg 4620m 4120m (500m)

*Information from the Electra website for "**XPLE Cables – Copper Single Core:"***

Application: *"For mains, sub-mains and sub-circuits unenclosed, enclosed in conduit, buried direct or in underground ducts for buildings and industrial plants where not subject to mechanical damage. Suitable where space is at a premium and / or where conditions of overload may occur. Suitable to for glanding."*

Conductor: *"Plain annealed copper wire."*
Insulation: *"XLPE"*
Sheath: *"PVC 5V-90"*
Voltage: *"0.6/1kV"*
Standard: *"AS/NZS 5000.1"*

Internal Quality Control tests indicate that the cable does meet the dimensional specifications of AS/NZS 5000.1:2005 and the conductor also meets the required resistance values as specified in ASNZS 1125:2001.

Cable No.9

Electra Cables

Product XLPE1500 *is a round single core cable with a conductor nominal cross sectional area of cable 50mm². The conductor consists of 19 annealed copper strands twisted together. The insulation over the copper is a compound of cross-linked Polyethylene (XLPE) clear in appearance and suitable for up to a maximum continuous operating temperature of 90ºC. The cable is sheathed with black 5V-90 PVC, a Poly Vinyl Chloride sheathing compound suitable for up to a maximum 90ºC continuous operating temperature.*

Printed on the cable sheath is the following information. "Electra Cables XLPE 1500 50mm² 0.6/1kV" and sequential metre marking to indicate length.
The cable is wound onto drums and the label displays: Electra Cables, XLPE 1500 Power Cable, 50mm² 0.6/1kV, Copper Conductor, X-90 ins, 5V-90 Sheath, 500m. It also has a batch / serial number and the range in which the 500m length falls within: Eg 5510m 5010m (500m)

*Information from the Electra website for "**XPLE Cables – Copper Single Core:"***

Application:	*"For mains, sub-mains and sub-circuits unenclosed, enclosed in conduit, buried direct or in underground ducts for buildings and industrial plants where not subject to mechanical damage. Suitable where space is at a premium and / or where conditions of overload may occur. Suitable to for glanding."*
Conductor:	*"Plain annealed copper wire."*
Insulation:	*"XLPE"*
Sheath:	*"PVC 5V-90"*
Voltage:	*"0.6/1kV"*
Standard:	*"AS/NZS 5000.1" "*

2. What is the tariff classification and statistical code of the imported goods?

The goods under consideration classify to item 8544.49.20 of the Third Schedule to the Customs Tariff Act 1995 with statistical codes 40 and 41 applicable. 8544.49.20 identifies electric cable with a voltage exceeding 80V but not exceeding 1000V. Statistical code 40 requires the number of metres imported of cable insulated with cross- linked polyethylene to be provided while statistical code 41 requires the number of metres imported of cable insulated with PVC materials.

3. Fully describe your product(s) that are 'like' to the imported product:

- Include physical, technical or other properties.

- Where the application covers a range of products, list this information for each make and model in the range.
- Supply technical documentation where appropriate.
- Indicate which of your product types or models are comparable to each of the imported product types or models. If appropriate, the comparison can be done in a table.

The locally manufactured products consist of a range of electric cables used predominantly in the construction industry for the permanent wiring of electrical services within buildings such as domestic dwellings, shops, public buildings and factories. Cables in subject categories are intended for connection to alternating voltages up to and including 1 kV.

Essentially the cables are formed as follows:

The cables consist of one or a number of copper conductors (or alternatively aluminium conductors)that are insulated with plastic material being either Poly Vinyl Chloride ("PVC") or Cross-linked Polyethylene ("XLPE"). The insulated conductor(s) may then individually or in plurality be further protected with a sheath material of PVC to complete the cable.

Cable Type Testing

Australia has a range of National Standards that are established for the purpose of ensuring safety for users (in the case of cables this relates primarily to fire prevention and to avoid personal injury through electrocution) and interoperability. Electrical cables of this classification must comply with the requirements of Australian Standards AS/NZS 5000.1 and AS/NZS 5000.2. If the electrical cable fails to meet these standards there is severe risk that subject cables will fail in service and cause unacceptable risks to users. These risks will not always become immediately apparent as cables can severely degrade over time and fail some time after installation. To ensure compliance over time it is a basic requirement that all cables have had their performance confirmed after having been subjected to in-depth Type Testing that confirms cables will not degrade and become dangerous over time.

The 9 cables listed in the chart "Cable Description" under section A-3.1 is required to comply with and pass the appropriate Qualification Type Test for electrical cable in order to be sold in Australia. If they fail or do not comply the cable must not be sold as it represents a real danger to persons through electrocution and/or property through fire. Below is an example of the Type Test for full compliance details.

Table 1 - Tests on Cable (AS/NZS 5000.2:2006, *Table 3*)

No	Test		Unit	Criteria	Result	Sentence
1	All appropriate tests, with the exception of resistance and continuity for tin plating, on conductors taken from the complete cable		-	Refer to Table 2	Refer to Table 2	-
2	Conductor resistance:					
	Red core		Ω/km	≤ 7.41	7.20	Complies
	Black core		Ω/km	≤ 7.41	7.18	Complies
	G/Y earth core		Ω/km	≤ 7.41	7.04	Complies
3	All appropriate tests on insulation taken from or measured on a completed cable		-	Refer to Table 3	Refer to Table 3	-
4	All appropriate tests on oversheath taken from a completed cable		-	Refer to Table 4	Refer to Table 4	-
5	Measurement of insulation thickness:					
	Red core	Nominal Ave.	mm	≥ 0.7	0.7	Complies
		M.A.P.	mm	≥ 0.53	0.59	Complies
	Black core	Nominal Ave.	mm	≥ 0.7	0.7	Complies
		M.A.P.	mm	≥ 0.53	0.65	Complies
	G/Y earth core	Nominal Ave	mm	≥ 0.7	0.7	Complies
		M.A.P.	mm	≥ 0.53	0.58	Complies
6	Measurement of oversheath thickness:					
		Nominal Ave.	mm	≥ 1.0	1.0	Complies
		M.A.P.	mm	≥ 0.75	0.90	Complies
7	High voltage a.c. test for 4 h		-	No breakdown of the insulation shall occur	No breakdown of the insulation	Complies

The

Following table identifies GUC and their Electra catalogue number.

Description	Insulation, Sheath Materials	Conductor Cross Sectional Area	Electra Catalogue Number
Flat Twin & Earth	PVC Insulated, PVC Sheathed.	2.5 mm²	SRF3025V
Flat Twin & Earth	PVC Insulated, PVC Sheathed.	1.5 mm²	SRF3015V
Flat Twin & Earth	PVC Insulated, PVC Sheathed.	1.0 mm²	SR3010V
Building Wire	PVC Insulated	2.5 mm²	SR1025V
Single Double Insulated (SDI)	PVC insulated, PVC sheathed	16 mm²	SDI1160V
XLPE/PVC Single Core	XLPE insulated, PVC sheathed	16 mm²	XLPE1160
XLPE/PVC Single Core	XLPE insulated, PVC sheathed	25 mm²	XLPE1250
XLPE/PVC Single Core	XLPE insulated, PVC sheathed	35 mm²	XLPE1350

XLPE/PVC Single Core	XLPE insulated, PVC sheathed	50 mm²	XLPE1500

ACM items comparable with that of Electra's:

ACM cable identifier	Electra Catalogue Number	Prysmian Catalogue Numbers	Olex Cables	Advance Cables
1	SRF3025V	5011111	CNCP07A1002WVAA	FT2E7067V
2	SRF3015V	5010015	CNCP05A1002WVAA	FT2E7050V
3	SR3010V	5010022	CNCP02A1002WVAA	FT2E113V
4	SR1025V	5010183	BAAP07A1001AABK	BW767
5	SDI1160V	5010169	AABP15A1001WVBK	SDI7170V
6	XLPE1160	5023923	BDBP15AA001CXNA	XLPE16
7	XLPE1250	5013771	BDBC17AA001CXNA	XLPE25
8	XLPE1350	5013870	BDBC18AA001CXNA	XLPE35
9	XLPE1500	5013252	BDBC19AA001CXNA	XLPE50

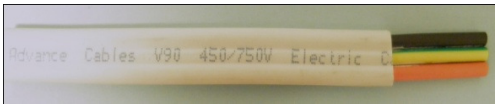
4. Describe the ways in which the essential characteristics of the imported goods are alike to the goods produced by the Australian industry.

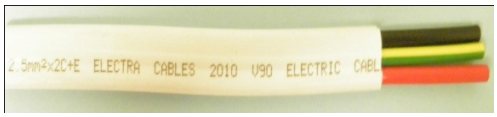
AS/NZS Standards require that imported and Australian made cables MUST be marked and meet manufacturing standards in accordance with Australian Standards AS/NZS 5000.1 and AS/NZS 5000.2. To all intents and purposes the imported goods look and feel identical to the Australian manufactured goods as indicated in the photographs below.

Physical Likeness

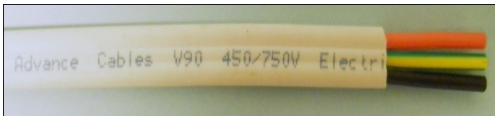
The imported products are physically similar to the "Like" goods in respect to the size, shape, colour and packaging presentation. The cables are manufactured to the same AS/NZ Standards. Photos of the cables indicate they are "like" products.

1 **Electra SRF3025V**

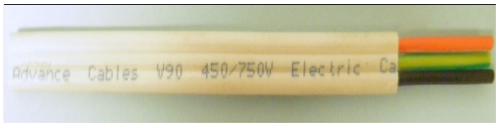




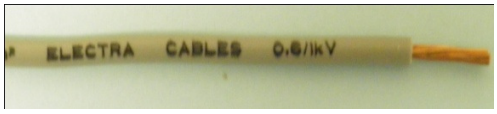
2 **Electra SRF3015V**



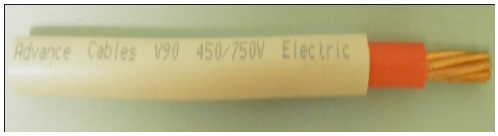
3 **Electra SRF3010V**



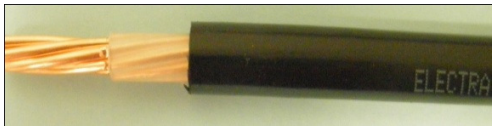
4 **Electra SR1025V**



5 **Electra SDI1160**

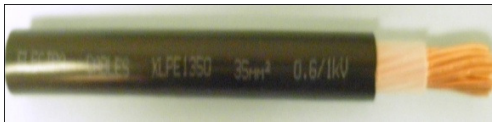


6 **Electra XLPE1160**

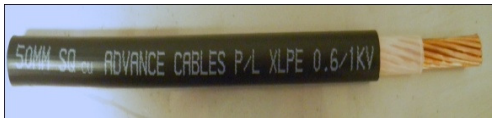


7 **Electra XLPE1250**

8 **Electra XLPE1350**



9 **Electra XLPE1500**



Commercial likeness

The goods are directly competitive in the market and are sold to the same wholesale customers. The electrical wholesalers will change and substitute brands depending on price,

availability and strategic marketing initiatives. The wholesaler's sale price to the end user is the same for each brand. The cables are packaged in the same lengths as standard and are also available at special lengths to suit project applications. Wholesalers request quotations for project type work with the best price and availability winning.

Functional likeness

The applications and end use of the "like goods" and the "goods" are the same. The cables are interchangeable as the comparables are manufactured to the same AS/NZ Standards. This gives both the wholesaler and the end user the freedom to switch from brand to brand. Price is the primary driving factor for wholesaler purchases followed secondly by availability. Individual preference for one manufacturer over another seldom has an affect on cable purchases outside of price.

Production likeness

The goods are constructed with the same materials as listed in the AS/NZ Standards.

- Copper as the electrical conductor.
- PVC or XPLE as insulation materials.
- PVC as a sheathing material.

The cables are manufactured in the same manner:

- Wire drawing machines are used to draw copper wire down to form conductor strands
- Copper wire strands are bunched together to form bunched / stranded conductors
- Conductors are insulated in an extrusion process with either PVC or XLPE insulation materials
- Multi-core circular cables are then formed in a lay-up machine (twisted together)
- PVC is extruded over the outside of the cores to provide a protective sheath and wound onto a bulk drum
- The bulk drums of cable are then rewound and packaged onto smaller reels / spools ready for despatch
- Printing of required information onto the cable may be carried out during the extrusion or rewinding processes

5. What is the Australian and New Zealand Standard Industrial Classification Code (ANZSIC) applicable to your product.

The Australian and New Zealand Standard Industrial Classification Codeapplicable to the cables is: 2852 - Electric Cable and Wire Manufacturing

6. Provide a summary and a diagram of your production process,

The ACM manufacturing process involves taking copper rods and drawing them into wires and then twisting them together to form a flexible bunched conductor. A process called stranding occurs and twists the flexible bunched conductor to form Circular Stranded Conductor. The bare conductor is then subjected to the process of extrusion where PVC coating is applied to the conductor in order to obtain the PVC coated cables. Occasionally XLPE is used to coat the conductor instead of PVC.

For ACM's production process see attachment A-3.6

7. If your product is manufactured from both Australian and imported inputs:

- **describe the use of the imported inputs; and**
- **Identify that at least one substantial process of manufacture occurs in Australia (for example by reference to the value added, complexity of process, or investment in capital).**

Subject cables are all manufactured in Australia using predominantly Australian materials:
Copper – Conductor – Australian material, processed in Australia
PVC Compound – Insulation and Sheath – Vinyl monomer imported, some stabilisers imported, fillers Australian sourced, all compounding undertaken in Australia
XLPE – Insulation – Compounded in Australia from Australian Ethylene

Substantial Process

Copper rod is introduced to the production line for eventual conversion into electric cable of the type described in the submission. Evidence of the complex production processes performed by each applicants company is provided at attachment A-3.6.

8. If your product is a processed agricultural good, you may need to complete Part C-3 (close processed agricultural goods).

The product manufactured by AMC is not a processed agricultural good

9. Supply a list of the names and contact details of all other Australian producers of the product.

Llyr Roberts
Managing Director/Chief Executive Officer-Oceania
Prysmian Power Cables & Systems Australia Pty Ltd
1 Heathcote Road
Liverpool NSW

(T) 02 9600 0290
(F) 02 9600 0876
Email: llyr.roberts@prysmian.com

Gerard Buckle
Director/Chief Financial Officer
Olex Australia Pty Ltd, General Manager - Supply
207 Sunshine Road, Tottenham VIC 3012
(T) 03.9281 4209
(F) 03.9281 4459
E-mail: gerard.buckle@nexans.com.au

David Jenkins
General Manager
Advance Cables Pty Ltd
20-26 Abbotts Road
Dandenong South VIC 3175
(T) 03 9706 4222
(F) 03 9706 4677
Email: lesb@advancecable.com.au

Patrick Chung
Managing Director
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89 Platinum St
Crestmead QLD 4132
(T) 07 3802 3688
(F) 07 38031955
Email: enquiries@apeccables.com.au

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269 Frankston-Dandenong Road
Dandenong VIC 3175
(T) 03 8791 0330
(F) 03 9794 0031
Email: gnorthrop@tycab.com.au

A-4 The Australian Market

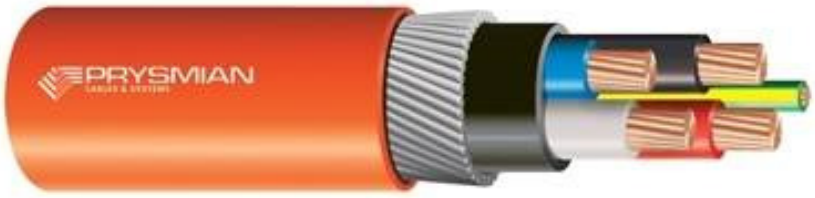
1. Describe the end uses of both your product and the imported goods.

An electrical power cable is an assembly of two or more individually sheathed electrical conductors, held together with an overall casing usually made of PVC. The assembly is used for the transmission of electrical power. The cables imported by Electra Cables (Aust) Pty Ltd are identical to the electrical cables manufactured by ACM. These electrical cables are used for the same purpose and compete in the same segments of the market, with the purpose of safely transporting electricity from the generation point to the end use for example lights, power tools, ovens, electrical motors and air conditioners. The exact application for each will be different but these products are used primarily in residential and commercial buildings as well as light industrial construction projects.

The cables can be broadly classified into the following segments

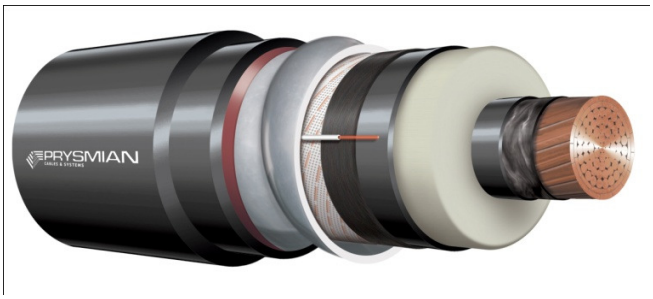
<u>Industrial Cable Segment</u>

Industrial cables are used in the oil, gas and mining sectors and are designed to survive in harsh environments such as water, oil, continuous flexing on cranes and lifts. *Note this segment is not in dispute*.

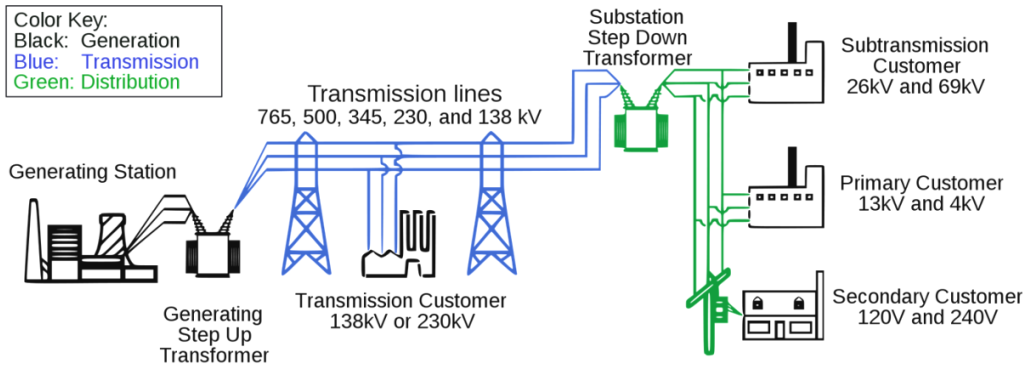


Medium and High Voltage Segment

Medium and High Voltage cables are usually grouped together, medium voltage starts at 11Kv and goes to 33kv. High voltage cables are used for major power station. *Note this segment is not in dispute.*



Power Distribution



Traders and Installers

Trade and Installers segment is the largest and most competitive market for copper electrical cables, this segment makes up 60% of Prysmian's total sales, the scope of the comments in section A4 are restricted to the Trade and Installer segment.

Trade and Installers are classed as low to medium voltage and usually go from 450/750Kv these cables can only be installed by a licensed electrician. Each state across Australia stipulates a licensed electrician must complete approved training before they can install electrical cable in buildings and other facilities.

Cables are manufactured strictly in compliance with the requirements of Australian Standards AS/NZS 5000.1 and AS/NZS 5000.2 as are relevant.

2. Generally describe the Australian market for the Australian and imported product and the conditions of competition within the overall market. Your description could include information about:

- **sources of product demand;**
- **marketing and distribution arrangements;**
- **typical customers/users/consumers of the product;**
- **the presence of market segmentation, such as geographic or product segmentation;**
- **causes of demand variability, such as seasonal fluctuations, factors contributing to overall market growth or decline, government regulation, and developments in technology affecting either demand or production;**
- **the way in which the imported and Australian product compete; and**
- **any other factors influencing the market.**

Sources of Product Demand and demand variability

Demand in the Trade and Installer market is predominately driven by residential and commercial construction as well as well as the light-industrial works industry. As an example the residential market includes renovations, residential homes, town houses and units. The commercial construction sector is comprised of large apartment complexes, hospitals, factories, shopping centres, commercial refurbishments and multi story buildings.

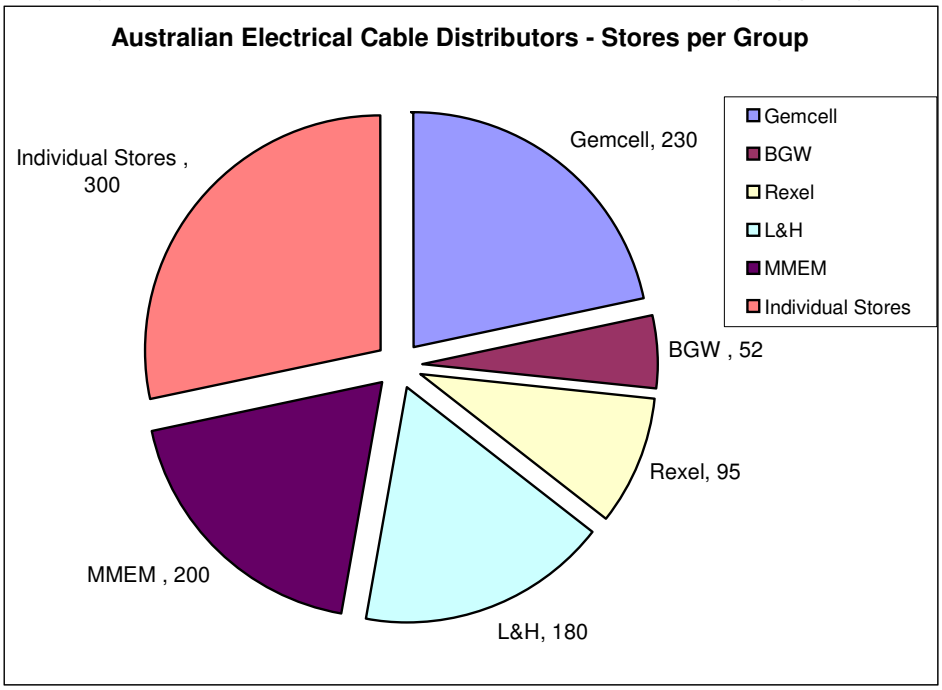
Demand variability is impacted by a range of micro and macro economic factors. At the base level consumer and business confidence are the major drivers for demand. When confidence is high an expansionary effect is experienced in the construction sector where businesses invest in new buildings and consumers invest in new housing. When there is an increase in the construction sector there is a demand for cables. The government can also drive demand for these cables through stimulus packages, targeted funding and tax breaks/relief geared around the construction industry (for example 'Building the Education Revolution' and the '1st Home Buyers Grant').

Summary of inter-relationship between industry participants

There are 3 main Australian manufacturers in Olex, Prysmian, and Advance Cables. The graph showing a breakdown of the market is provided in confidence to Customs.

Typical customers/users/consumers of the product

There are 5 main electrical distributor groups, when combined these distributors manage approximately 85% of the total building wire market. Companies are either wholly owned for example Lawrence and Hanson where they have 180 company stores or buying groups made up of individual stores or small groups collaborating to purchase in bulk and therefore attain a better price for their customers such as the Gemcell buying group.



The major customers for the products are the Electrical Wholesalers and Electrical Contractors. Companies can do 'direct' business with these contractors and 'in-direct' business with the wholesalers. Generally there are two levels of supplier to the Wholesaler. Approved supplier and Preferred supplier. Both may have Supply Agreements stating trading terms such as payment, settlement rebates, unqualified rebates, marketing rebates, delivery terms and growth rebates. The Preferred suppliers will enjoy most of the business with the Approved suppliers filling areas of short supply.

Larger electrical contracting companies may buy direct from cable manufacturers. Wholesaling groups are Australia wide and trading terms are applicable to all branches within the group.

The electrical cable market is a mature one. Price and availability, as with most manufactured goods, have been primary sources of competition and as such companies have sought competitive advantages through cost control and efficiencies.

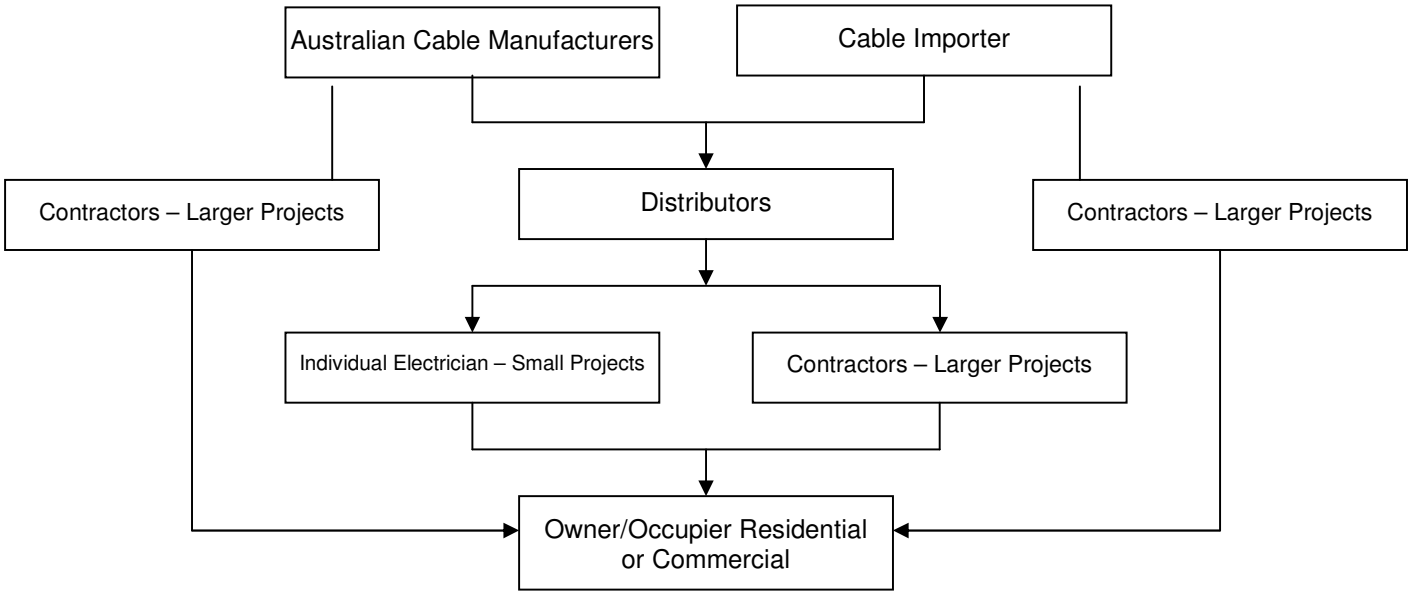
Given regulations in Australia the end users of the products are, for the most part, electrical contractors - as legally only licensed electricians can perform electrical works. The size of the customers can range from single owner/operator businesses to large multinational contracting companies. Price is a key determinant of the purchase decision making process

The Estimated Market Share of Distributors

Please refer to confidential file for details

Industry Supply and Distribution Workflow

The diagram below describes the predominate flow of cable from the manufacturer to end user



The presence of market segmentation, such as geographic or product segmentation

Generally the market is defined geographically and the different regions have different requirements depending on the type of industries that operate within it. For example the mix of demand in Victoria would be different for the total mix of demand than in Western Australia. That being said for the products mentioned in this report, the demand profile is national as these products have been made to comply with Australian standards so the overall demand is dictated by industry preferences.

Price setting in the Market

In general the building and construction industry relies on a small range of 20 electrical cables to complete most electrical work.

Movement in copper raw material costs and the timing of price increases have alarger bearing on volumes ordered from manufacturers.

Range of cables

Electrical cable manufactured for the building and construction sector must meet certain Australian and New Zealand standards 5000.2. This includes copper content, thickness, PVC sheathing, identification markings, standard lengths, labels and drum packaging must all be the same across all Australian manufacturers and importers and there is nothing to differentiate the products from each other, other than price.

The market demand for electrical cable in Australia is based on price, Electra is able to consistently sell a comparable roll of 2.5mm^2 twin & earth (the most common cable used in the market) 10% - 30% below other Australian manufacturers.

Market Demand and Seasonal Fluctuations

Demand for electrical cable is relatively stable year round, the Christmas period slows demand for approximately 2 weeks per year. The main driver of demand is the building and construction sector.

Packaging Differences

- The packaging of electrical cable has been consistent across the industry. A standard roll of 2.5mm^2 twin & earth is wound on to a PVC “bobbin” the reel must be strong enough to support the weight of 15Kgs and provide sufficient flat area for identifying labels, some manufacturers have coloured the plastic reels blue however the basic design does not change. Reels are loaded onto pallets of 80 and wrapped in clear PVC film for transportation; this is standard practice across all importers and Australian manufacturers.

Sales by Contract or Spot Price

Overall contract terms and conditions are negotiated on a yearly basis, pricing is conducted on an ongoing monthly basis taking into consideration the price of copper for that month.

3. Identify if there are any commercially significant market substitutes for the Australian and imported product.

There are no commercially significant market substitutes, all cables must be manufactured to and meet the requirements of the same Australian Standard

4. Complete appendix A1 (Australian production). This data is used to support your declaration at the beginning of this application.

Confidential Appendix A1 has been completed for the Australian Industry. See Industry Confidential Appendix A1.

5. Complete appendix A2 (Australian market Appendix)

Confidential Appendix A2 has been completed for the Australian Industry. See Industry Confidential Appendix A2.See Electronic file for each of the company's submission.

6. Use the data from appendix A2 (Australian market) to complete this table:

Indexed table of sales quantities

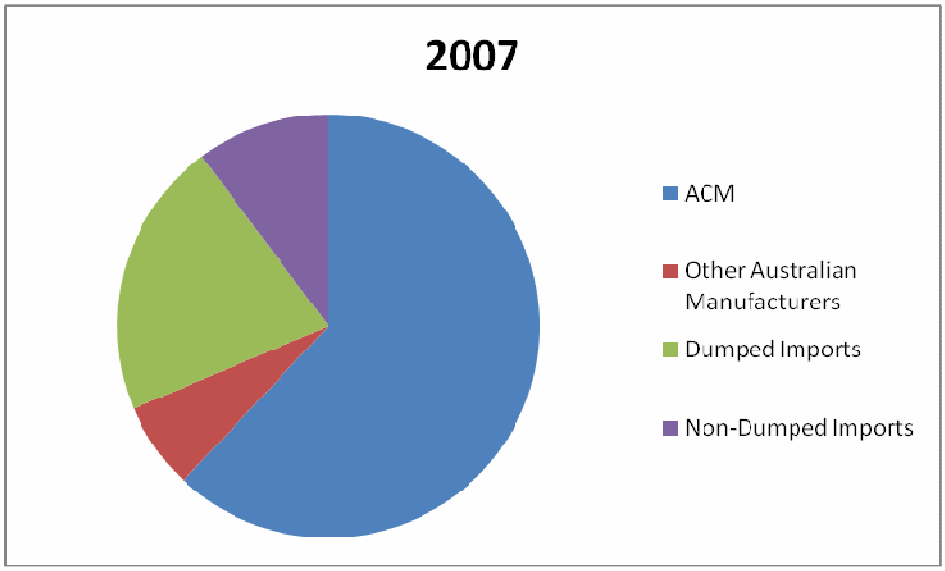
Market data from Industry Confidential Appendix A2 has been used to prepare the following table.

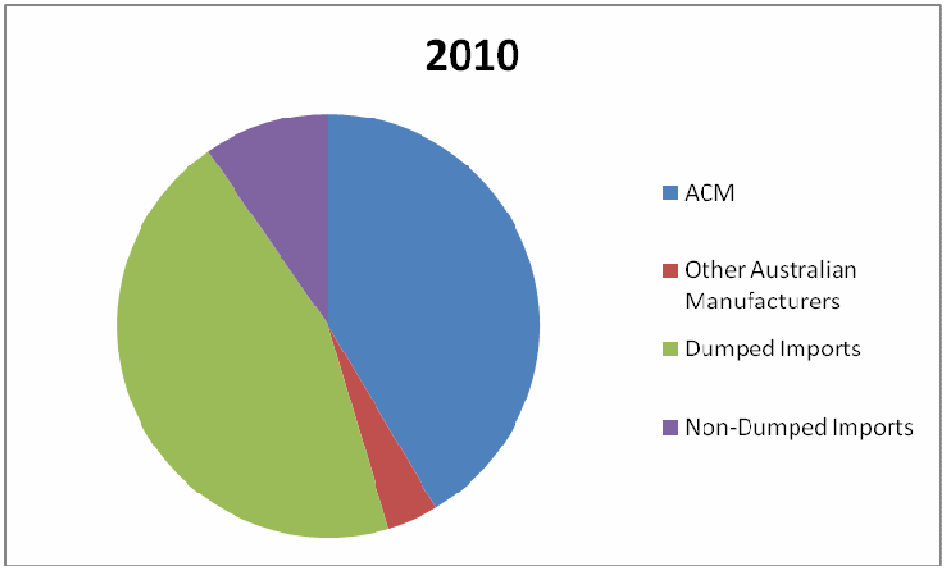
Table A-4.6 Australian Market

Period	Your Sales (a)	Other Aust Sales (b)	Total Aust Sales (a+b) = c	Dumped Imports (d)	Other Imports (e)	Total Imports (f)	Total Market (c+f) = (g)
2007	100	100	100	100	100	100	100
2008	88.8	91.4	90.1	90.0	107.1	98.5	94.3
2009	88.7	84.2	86.4	151.1	156.7	153.9	120.2
2010	79.6	69.9	74.8	252.4	112.1	182.2	128.5

Notes: ACM sales represent sales by Prysmian, Olex and Advance Cable

The following pie charts in addition to the above graph highlight the further decline in the Australian industry's sales volumes from 2007 to 2010. Meanwhile, import volumes for dumped cables have continued to grow.


2007
ACM
Other Australian Manufacturers
Dumped Imports
Non-Dumped Imports


2010
ACM
Other Australian Manufacturers
Dumped Imports
Non-Dumped Imports

A-5 Applicant's Sales.

1. **Complete** Appendix A3 Sales Turnover

Confidential Appendix A-3 has been completed by each of the applicant companies. Please refer to individual companies data for these schedules.

See electronic file for each company submission.

2. Use the data from appendix A3 (sales turnover) to complete these tables.

Indexed table of Applicant's sales quantities in metres produced

Data is provided for the ACM Industry for "like goods" only, as "All products" across the industry provides no meaningful benchmark. Some of the companies of ACM produce a range of goods which are not pertinent to the case in point. By comparing the trend across all the products in the industry it will present a distorted picture of the impact of dumping. As result of this only like goods are used for comparison purposes. Please also refer to Company Confidential Appendix A3 data.

Volume

Quantity	2007	2008	2009	2010
All Products				
Australian Market	100			
Export Market	100			
Total	100			
Like Goods				
Australian Market	100	89	89	80
Export Market	100	136	125	141
Total	100	89	90	80

Notes : Australian Market comprises of Olex, Prysmian and Advanced Cables

The export market comprises of 1% of the total Australian market in the year 2007 and that increased to 2% in the year 2010. Albeit it appears that the ACM's export market has done exceptionally well the percentage of sales that the export market comprises is, in fact minute.

Indexed table of Applicant's sales values

Quantity	2007	2008	2009	2010
All Products				
Australian Market	100			
Export Market	100			
Total	100			
Like Goods				
Australian Market	100	95	72	74
Export Market	100	123	94	108
Total	100	95	72	74

Notes : Australian Market comprises of Olex, Prysmian and Advanced Cables

It will be apparent from the above table that revenues derived from the Australian industry declined substantially for the GUC in the period under question. The ACM contend that the diminution in sales values is a direct result of imports introduced in Australia by the importer in Electra Cable

3. Complete appendix A5 (sales of other production) if you have made any:

- **internal transfers; or**
- **domestic sales of like goods that you have not produced, for example if you have imported the product or on-sold purchases from another Australian manufacturer.**

Each of the applicant companies prepared Confidential Appendix A-5 evidencing sales of the GUC. See electronic attachment provided.

4. Complete appendix A4 (domestic sales).

Each of the applicant companies has completed Confidential Appendix A-4 for the period required. This data has been provided by the companies. See electronic file attached.

5. If any of the customers listed at appendix A4 (domestic sales) are associated with your business, provide details of the association. Describe the price effect of the association.

The applicant companies are not associated with the customers listed in Appendix A-4

6. Attach a copy of distributor or agency agreements/contracts.

Olex doesn't have any agreements or agents for selling or distribution of product within Australia

ConfidentialElectronic attachment A-5.6 to be viewed for Prysmian and Advance Cables copies of distributor or agency agreements/contracts.

7. Provide copies of any price lists.

Price lists for Prysmian, Olex and Advance cables are included with this application as ConfidentialElectronic attachment A-5.7.

8. If any price reductions (for example commissions, discounts, rebates, allowances and credit notes) have been made on your Australian sales of like goods provide a description and explain the terms and conditions that must be met by the customer to qualify.

- Where the reduction is not identified on the sales invoice, explain how you calculated the amounts shown in appendix A4 (domestic sales).

- If you have issued credit notes (directly or indirectly) provide details if the credited amount has not been reported appendix A4 (domestic sales) as a discount or rebate.

ACM responses have been provided in confidence to Customs.

9. Select two domestic sales in each quarter of the data supplied in appendix A4 (domestic sales). Provide a complete set of commercial documentation for these sales. Include, for example, purchase order, order acceptance, commercial invoice, discounts or rebates applicable, credit/debit notes, long or short term contract of sale, inland freight contract, and bank documentation showing proof of payment.

The applicants have included with this application commercial documentation for two domestic sales during each quarter of 2010. Please refer to respective confidentialcompany Electronic attachment A-5.9.

A-6 General Accounting/Administration Information.

1. Specify your accounting period.

Prysmian Accounting and Advance Cable accounting period is same as calendar year while that of Olex is from July to June.

2. Provide details of the address (es) where your financial records are held.

Prysmian: 1, Heathcote Road, Liverpool, NSW, 2170, Australia

Olex: 207 Sunshine Road, Tottenham. 3012. Victoria

Advance: 20-26 Abbotts Rd Dandenong Sth Vic 3175

3. To the extent relevant to the application, please provide the following financial documents for the two most recently completed financial years plus any subsequent statements:

These documents should relate to:

1. **The division or section/s of your business responsible for the production and sale of the goods covered by the application, and**

2. **The company overall.**

- **Chart of accounts;**

- **Audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion); attached**

- **Internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods.**

These documents should relate to:

1. **the division or section/s of your business responsible for the production and sale of the goods covered by the application, and**
2. **the company overall.**

Each of the company's Chart of Accounts has been supplied with this application in confidence.

Annual reports have been provided for each of the applicant companies in confidence

Internal financial statements have been provided to Customs with the application, see confidentialelectronic attachment. Further reports are available at time of verification.

4. If your accounts are not audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

All the companies accounts are audited annually.

5. If your accounting practices, or aspects of your practices, differ from Australian generally accepted accounting principles, provide details.

The ACM industry's accounting practises are in accordance with Australia's generally accepted Accounting Standards.

6. Describe your accounting methodology, where applicable, for:

- The recognition/timing of income, and the impact of discounts, rebates, sales returns warranty claims and intercompany transfers;

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenues are net of returns, trade allowances, duties and tax paid. Revenue is recognised when goods have been despatched to a customer pursuant to a sales order and the associated risks have passed to the customer.

- Provision for bad or doubtful debts;

Trade debtors are reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists.

Debt which are known to be uncollectible are written off. A provision for doubtful debt is established when there is objective evidence the company will not be able to collect all

amounts due according to the original terms of the receivables. The amount of the provision is recognised in profit and loss.

- The accounting treatment of general expenses and/or interest and the extent to which these are allocated to the cost of goods;

Cost is comprised of materials, labour and an appropriate proportion of fixed and variable overheads on an absorption cost basis

- Costing methods (eg by tonnes, units, revenue, activity, direct costs etc) and allocation of costs shared with other goods or processes;

Costing methodology is by production/sales tonnes. In some areas costing is by kg, in others it is by metre. The allocation of costs shared with other goods or processes are all calculated in the relevant cables costing sheet.

Product Costing is classified into a variable and a fixed component. Variable costs include: Materials; Direct and indirect labour; Variable overhead and logistic. Material costs are allocated by tonnes/units of consumption, depending on the Bill of Material (BOM) of each product; Direct and indirect labour costs are allocated by direct and indirect labour hours, depending on the routing of each specific production process to product; variable overhead are allocated by machine hours, also depending on the routing of allocation. Fixed cost are defined by nature and include fixed production, fixed engineering, fixed administration, fixed commercial, fixed logistic component. Fixed production costs are allocated to the product by machine hour. Every other fixed cost component is not directly allocated to each single product but is recognised in the profit and loss as general expenses.

- the method of valuation for inventories of raw material, work-in-process, and finished goods (eg FIFO, weighted average cost);

Raw materials, stores, WIP and manufactured stocks are valued at the lower of cost and net realisable value. Cost comprises direct materials, direct labour, and an appropriate proportion of manufacturing overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items as follows: raw material: purchase cost on a FIFO basis. FG and WIP: cost of direct material and labour and a proportion of manufacturing overheads based on normal operating capacity. The methods used to assign costs to inventories are actual invoiced cost or standard costs.

- valuation methods for scrap, by-products, or joint products;

Scrap is recognised at the fair market realizable value. Any scrap cable is weighed and sent to a scrap metal dealer, who then verifies the weight. The value paid for the scrap is a percentage of the LME. This is then allocated to Other Income. All cable costing have a scrap percentage allocation built into them. Some PVC is also recycled and sold as scrap PVC for a charge per kg. This is also allocated to Other Income.

- valuation methods for damaged or sub- standard goods generated at the various stages of production;

Every damaged or sub-standard good is valued on the basis of the fair market realisable value

- valuation and revaluation of fixed assets

Subsequent to initial recognition, assets are valued at fair value. Revaluations are made with sufficient regularity to ensure carrying amounts do not differ dramatically from fair value.

- average useful life for each class of production equipment, the depreciation method and depreciation rate used for each

Buildings
Plant and equipment
Equipment under finance lease

The methods of depreciation used are straight line and diminishing methods. For details refer confidential file.

- treatment of foreign exchange gains and losses arising from transactions and from the translation of balance sheet items; and

Foreign exchange gains and losses are brought to account using the rate of exchange applicable at the date of the transaction

- restructuring costs, costs of plant closure, expenses for idle equipment and/or plant shut-downs

By and large for the industry provisions is made for restructuring costs and costs of plant closure and or shut-downs in accordance with the accounting policy for provisions as stated in the annual financial report. Costs incurred in relation to idle equipment are expensed as

incurred. Depreciation is halted, and where necessary an impairment write-down recorded for idle equipment.

7. If the accounting methods used by your company have changed over the period covered by your application please provide an explanation of the changes, the date of change, and the reasons.

Accounting methods have not altered over the periods for which financial data has been prepared for this application, unless required to by the relevant accounting standard.

A-7 Cost information

Complete appendices A6.1 and A6.2 (cost to make and sell) for domestic and export sales.

Confidential Appendices A6.1 and A6.2 have been prepared by each of the applicant companies.

A-8 Injury

1. Estimate the date when the material injury from dumped imports commenced.

The Australian Industry manufacturing electric cables considers that it suffered material injury in the form of lost market share beginning 2005 but the period where the impact is considered most significant is from 2007-10.

Since 2007 the Australian industry's market share has continued to decline. Industry profit has also declined across the board which is commensurate with increasing costs and the industry's inability to maintain its margin.

The applicant industry considers that the 2007 (Jan to Dec) is an appropriate investigation period where material injury can be readily identified. The applicant industry acknowledges that it has supplied detailed financial information for calendar year 2010. The complexity and difficulty of co-ordinating three competing interests in a joint submission has precluded the provision of year to date financials. The industry acknowledges that year to date figures will be made available to Customs investigators during the onsite investigation.

Dumping has impacted the copper manufacturers as the ACM have reduced the amount of copper they are buying from the copper manufacturers. This has affected the sales of the copper manufacturers. Please see confidential electronic file (Letter) attached from the Australian copper rod manufacturer.

Letters of support from the other cable manufacturers in the Australian Industry appear in the confidential file.

2. Using the data from appendix A6 (cost to make and sell), complete the following tables for each model and grade of your production.

*Index of **production** variations (Metres)*

The following table highlights the industry's total production of the 9 products under consideration for all ACM over the period 2007-10.

ACM cable identifier	2007	2008	2009	2010
1	100	85	87	82
2	100	85	95	87
3	100	98	97	71
4	100	90	102	77
5	100	105	47	90
6	100	107	109	98
7	100	114	108	73
8	100	102	101	87
9	100	88	94	96

The above table details the change in the production of the 9 cables which are believed to be most impacted by the dumping.

As evidenced from the table, the volume of production of all the cables has diminished since 2007.

*Index of **cost** variations*

ACM cable identifier	2007	2008	2009	2010
1	100	100	77	95
2	100	101	80	96
3	100	103	81	97
4	100	105	85	100
5	100	99	76	97
6	100	44	83	96
7	100	107	106	101

8	100	95	91	89
9	100	97	87	87

In the above table for a majority of the cables the cost to make and sell has increased over the years. The ACM have incurred higher costs over the years to make a lesser quantity of cables. The higher costs incurred in the production of the goods has been brought about by increases in the price of copper together with other cost increases. The Cost Variations table needs to be viewed in conjunction with the production variations table to gain a proper appreciation of the difficulties facing the industry.

Copper Price Fluctuations

** Sourced from LME*

*<u>Index of **price** variations (model, type, grade of goods)</u>*

ACM cable identifier	2007	2008	2009	2010
1	100	99	82	94
2	100	97	79	90
3	100	100	82	93
4	100	102	82	93
5	100	102	81	93
6	100	42	80	92
7	100	114	87	102

8	100	98	77	89
9	100	97	74	85

The ACM have reduced the price of the cables they manufacture to cope with the lower prices offered in the industry by Electra so that they can maintain their market share. Over the years the selling price of the products have decreased and costs incurred for making them has only increased.

*Index of **profit** variations*

ACM cable identifier	2007	2008	2009	2010
1	100	107	44	81
2	100	1036	300	1452
3	100	172	48	149
4	100	-49	-90	-170
5	100	144	145	26
6	100	485	365	331
7	100	102	145	72
8	100	12	484	65
9	100	86	-420	33

In 2007 some of the nine models under consideration were in losses. In 2010, all nine models are now in losses through reduced profits.

For cables 1, 2, 3, 6, 7 and 8the ACM's profit starts on a negative profit and the profits have either become more negative or less negative through the years.

For cable 4 the year 2007 the industry had a positive profit and then the profits slipped and became negative.

*Index of **profitability** variations*

ACM cable identifier	2007	2008	2009	2010
1	100	1	1	1
2	100	1120	397	1847
3	100	199	72	247
4	100	-54	-125	-250
5	100	141	187	32
6	100	411	382	363
7	100	82	166	97
8	100	12	637	87
9	100	91	-575	46

The ACM's profitabilitywas negative for almost all products in the year 2007 and then the profitability either became more or less negative. The above profitability variation table reflects that. For more clarity on the underlying figures please refer electronic attachment titled Injury.

3. Complete appendix A7 (other economic factors)

Each of the applicant companies has completed Appendix A-7 to the best of their ability.

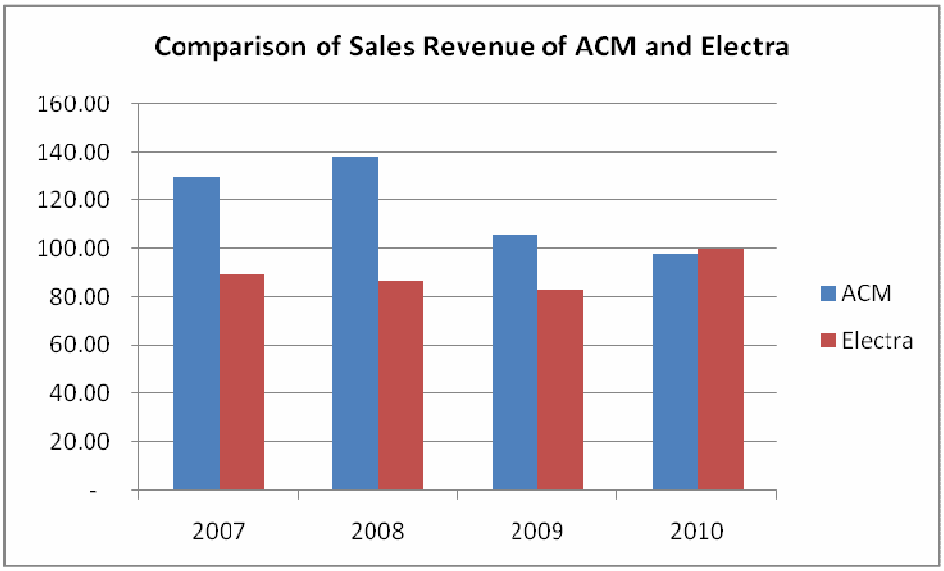
A-9 Link between Injury and Dumped Imports.

To establish grounds to initiate an investigation there must be evidence of a relationship between the injury and the alleged dumping. This section provides for an applicant to analyse the data provided in the application to establish this link. It is not necessary that injury be shown for each economic indicator.

1. Identify from the data at appendix A2 (Australian market) the influence of the volume of dumped imports on your quarterly sales volume and market share.

The influence of imports of the GUC on the sales of the ACM has been significant since 2007. The following table highlights the declining market share of the Australian industry since 2007.

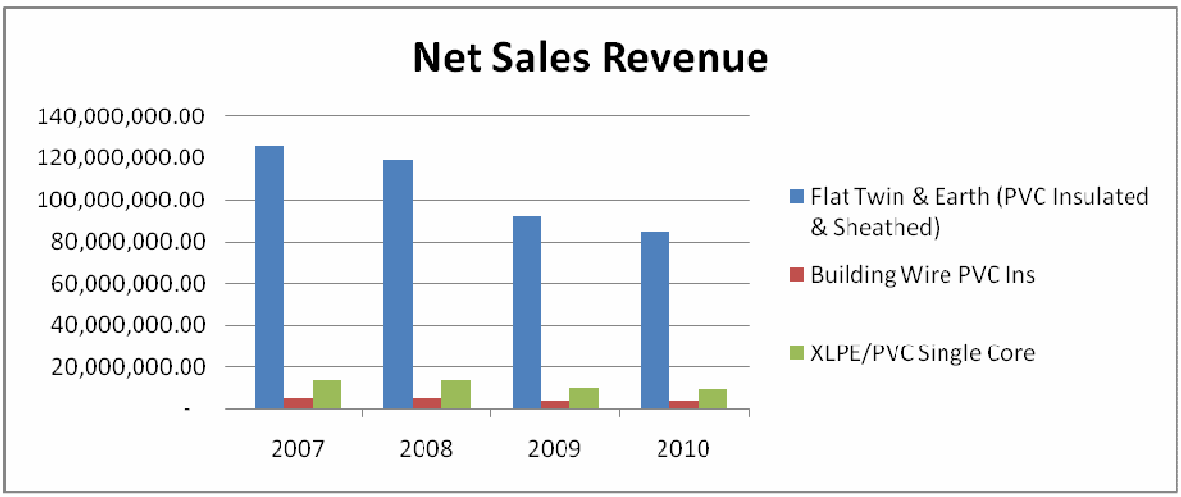
9.1 Comparison of Revenue of ACM vs.Importer (ElectraCables Australia Pty Ltd)



All the sales revenues for the years under consideration have taken the CPI into account.

As evidenced from the above chart we can decisively state that over the period of 2007-2010 there has been a decrease in the sales revenue of the ACM while the sales revenue of Electra has increased in the same period. Simultaneously, demand for the GUC has increased significantly and yet the ACM, with more than sufficient capacity to supply that demand, is unable to do so because of unfair competition from Electra.

The following chart will also give an indication of the major decline that has been there in the net sales revenue of the three broad categories of the Cables produced by the ACM



As reported, electric cables in the industry are classified into three broad categories Flat Twin & Earth, Building Wire PVC Ins and XLPE / PVC Single Core. The most popular category that is produced by the industry is Flat Twin & Earth. From 2007 to 2010 inclusive, the Net sales revenue of flat twin & earth has declined drastically. For the other two categories as well there was a marked reduction in the net sales revenue.

2. Use the data at appendix A2 (Australian market) to show the influence of the price of dumped imports on your quarterly prices, profits and profitability provided at appendix A6.1 (costs to make and sell). If appropriate, refer to any price undercutting and price depression evident in the market.

Increasing prices for the Australian industry have been primarily driven by increasing raw material prices since 2007. Since 2005 the industry has experienced an erosion of its margins over costs, as electric cables volumes from Electra have increased. Electra is supplying cables at a price lower than what is available in the Australian market.

Prices offered in the marketplace by Electra undercut ACM's prices which were arrived by the ACM after attempting to recover their full costs to make and sell the product. The pricing offered by the importer of the dumped cables created a market wide perception of where the sales price should be, contrary to the actual true cost of manufacturing those items. This began to undermine the local manufacturers' returns on products produced.

Incidents evidencing the above:

Detailed information has been provided to Customs, in confidence by the ACM. The information provided specific instances of price under cutting engaged in by Electra.

Quote from Electra

Below is an example of price undercutting below the cost to manufacture. Quote provided to the (details provided in confidence to Customs)

Example of Price Undercutting and Depression

Background

Details provided in confidence to Customs

Information relates to specific instances of price pressures applied to ACM to compete with imports.

As the quantity of imported cable became more available to the market throughgreater volume and continuity of supply, wholesalers pressured manufacturers to lower prices. This thenled to lost sales of other products normally ordered at the same time by the wholesalers.Return on investment in plant and equipment is realised through efficiency and, to this end, ACM have invested in new plant and equipment to bring best practice manufacturing to its operation.

The best practice does not negate the difference between locally manufacturedand dumped cable prices. Constructed normal values (Confidential attachment B2) and Deductive Export Prices (Confidential attachment B1) both support this summation. The nine cables represented in this application have all decreased in sales from 2009 to 2010 as demonstrated in Appendix A6.1 and A2. Some retained business can be attributed to the imported products not being available at the time of order.

Details provided in confidence to Customs (Information withheld relates to strategic specific company related information)

During a recent suppliers meeting with a consolidated buying group whorepresent around 30% of the Australian market, a comment was made by two ofthe members that “due to the lack of competitiveness from Australianmanufacturers all the cable will be coming from China within a couple of years”.Obtaining hard material evidence of injurious links can

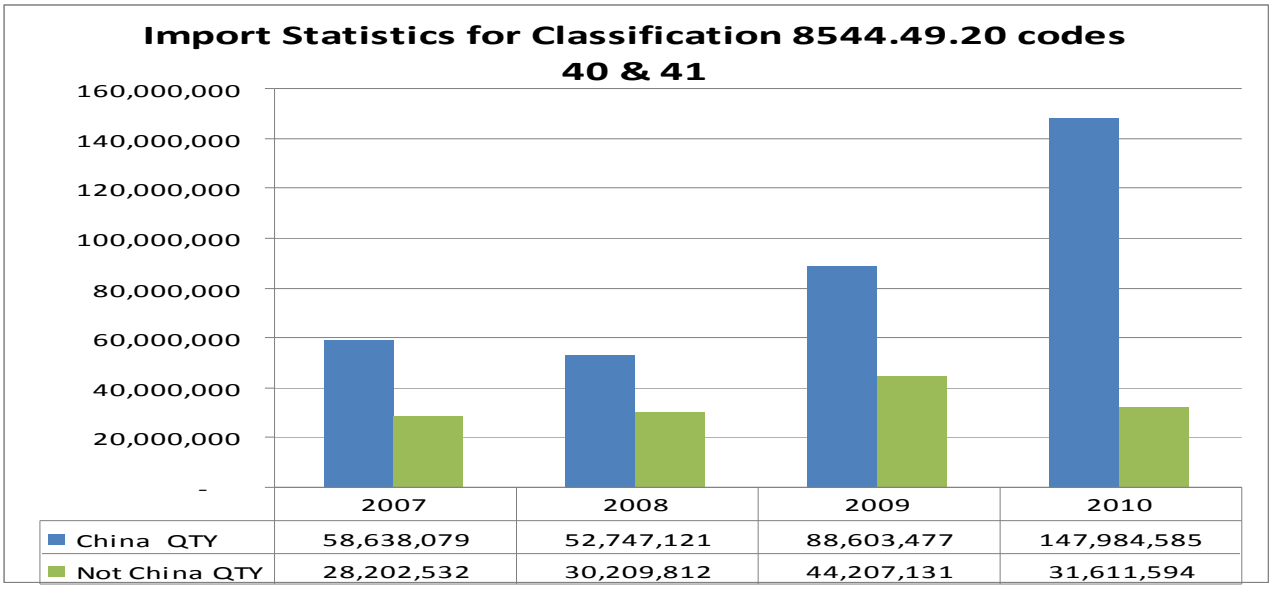
prove difficult, however,comparative quotations and demonstrated loss of business is revealedin confidential attachment A-9 “xxx Advance correspondence”.

The following measures were also taken by an ACM member to reduce the costs they incur so as to enhance their competitive ability against dumped imports
(Details provided in confidence to Customs)

From the above instances it is clear that the level of price undercutting apparent is a significant contributing factor to the reduction in sales volume (and loss of market share) experienced by the Australian industry throughout the period 2007-2010. The declining trend in the industry’s sales volumes is continuing during the current year as evidenced by the sharper decline in industry profit over this period.

The impact of price undercutting, lost sales volume, and a reduction in market share, has materially impacted the industry’s margins.

3. Compare the data at appendix A2 (Australian market) to identify the influence of dumped imports on your quarterly costs to make and sell at appendix A6.1 (for example refer to changes in unit fixed costs or the ability to raise prices in response to material cost increases).



	2007	2008	2009	2010
China QTY	58,638,079	52,747,121	88,603,477	147,984,585
Not China QTY	28,202,532	30,209,812	44,207,131	31,611,594

Trade statistics obtained from TradeData International which sourced them from the Australian Bureau of Statistics. It should be noted that statistical information for cable insulated with cross linked polyethylene against code 40 has been withheld from public dissemination since June 2007 on the grounds of commercial in confidence. Consequently,

the ACM recommends that Customs scrutinises the withheld information during its on site investigations into the importer's activities.

Over the period 2007-10 dumped imports have increased market share with the share of the applicant industry falling. This period has been critical as the price of the raw materials and other costs have continued to increase and the industry has been unable to recover the full cost.

		China		**Not China**		**Total All**	
		QTY	FOB	QTY	FOB	**QTY**	**FOB**
2007	8544492040			3,565,760	11,424,352	3,565,760	11,424,352
	8544492041	58,638,079	40,860,390	24,636,773	48,958,614	83,274,851	89,819,003
2008	8544492041	52,747,121	37,400,641	30,209,812	76,035,052	82,956,934	113,435,693
2009	8544492041	88,603,477	48,083,866	44,207,131	67,860,444	132,810,608	115,944,310
2010	8544492041	147,984,585	95,396,511	31,611,594	47,369,607	179,596,179	142,766,118
2011	8544492041	21,877,025	17,177,535	1,662,106	3,674,235	23,539,131	20,851,770

See confidential electronic file A-9.3 for understanding dumping margins. The ongoing price undercutting apparent from the dumped exports from China have hindered the industry's ability to recover cost increases. In the instance of one of the producers, it has elected not to match unfair prices so that it does not continue to incur losses in its sales of locally produced cables.

4. The quantity and prices of dumped imported goods may affect various economic factors relevant to an Australian industry. These include, amongst other things, the return on investment in an industry, cash flow, the number of persons employed and their wages, the ability to raise capital, and the level of investment in the industry. Describe, as appropriate, the effect of dumped imports on these factors and where applicable use references to the data you have provided at appendix A7 (other economic factors). If factors other than those listed at appendix A7 (other economic factors) are relevant, include discussion of those in response to this question.

As indicated above, the applicant companies have completed Confidential Appendix A-7.

The key "other economic factors" in which material injury is evident since 2007 includes:

Under utilization of production capacity
Reduced return on investment
Reduced attractiveness for re-investment and
Reduced employment

The applicants industry utilization of production assets has declined reflecting similar reductions in sales volumes over the same period (by contrast export volumes from the nominated country has increased over the same period)

The industry's return on sales has deteriorated considerably. In attempts to control costs and maintain margins, employment levels have declined over the last few years as dumped imports market share increases.

The following mentions the various measures taken by one applicant company to become cost efficient and combat dumping.

Staff Retrenchments

Information provided in confidence to Customs

Cost Saving Strategies

Information provided in confidence to Customs

5. Describe how the injury factors caused by dumping and suffered by the Australian industry are considered to be 'material'.

Due to the decrease in market share of the Australian producers their profits have reduced and they are considered less attractive than before for investment opportunities.

The applicants view the identified injury factors contributing to a loss of profits as "material". The injury reflects far greater levels of "lost profits" brought about by an erosion of margin and further decline in market share.

One of the applicant company's inability to get investments approved are listed below.

Information provided in confidence to Customs

6. **Discuss factors other than dumped imports that may have caused injury to the industry. This may be relevant to the application in that an industry weakened by other events may be more susceptible to injury from dumping.**

The affect of the Global Financial Crisis from March 2008 through to the end of 2009 didn't greatly affect the Australian economy as it did other countries. However it did limit the ability of Industry manufacturers to pass on costs in line with inflation. The manufacturers had to absorb the additional costs which further reduced profit margins; this statement is supported by the figures in Appendix A-6

Information provided in confidence to Customs (Information relates to interruption to production of an ACM member)

7. **This question is not mandatory, but may support your application. Where trends are evident in your estimate of the volume and prices of dumped imports, forecast their impact on your industry's economic condition. Use the data at appendix A2 (Australian market), appendix A6 (cost to make and sell), and appendix A7 (other economic factors) to support your analysis.**

Evidence provided in this application indicates that the Australian cable manufacturing sector is facing an uncertain future if the dumping of the cable from China is allowed to continue unhindered.

The industry is suffering:

Reduced profits
Reduced profitability
Staff retrenchments
An inability to raise capital
Loss of market share and,
Loss of sales as a result of the dumped imports from China.

The manufacturing sector has suffered significant losses in recent years and such losses would be expected to continue as long as Electra continues selling its products at the dumped prices evident in the Australian marketplace.

Import volumes

Statistics provided in this submission confirm that imports from China have increased dramatically since 2007 with China's volume exceeding those of all other countries combined. Again, if the predatory dumping practices from China are allowed to continue,

such import statistics suggest that current import volumes will continue to grow, at the expense of the Australian manufacturers.

Staff retrenchments

The Australian industry has retrenched staff directly in response to falling sales of the GUC which were lost to the dumped cables. Unless measures are imposed against the imports, it may be the case that further losses incurred by the industry may lead to further staff retrenchments.

Inability to raise capital.

Each manufacturer has been hindered in its ability to raise capital to fund the introduction of more efficient plant and equipment. In each case, prospective financiers have declined to provide funding because of a marked lack of confidence in the industry's current financial viability. Given the statistical information provided within this submission, it is apparent that the industry is under siege from dumped imports from China. If the dumping situation continues, the industry's future viability is questionable.

Summary

Evidence presented with this submission together with material to be provided at the on-site investigations by Customs confirms that the future of the Australian cable manufacturers is uncertain. The industry can not continue to sustain losses of the magnitude that has been evidenced, indefinitely, and unless anti-dumping duties are imposed on imports from China at the earliest opportunity, the industry may cease to exist with all of the consequential flow on detrimental effects.

PART B - DUMPING

IMPORTANT

All questions in Part B should be answered even if the answer is 'Not applicable' or 'None' (unless the application is for countervailing duty only: refer Part C). If an Australian industry comprises more than one company/entity, Part B need only be completed once.

For advice about completing this part please contact the Customs Dumping Liaison Unit on:

☎ (02) 6275-6066 Fax (02) 6275-6990

B-1 Source of Exports.

1. Identify the country (ies) of export of the dumped goods.

The country exporting the alleged dumped GUC is China.

2. Identify whether each country is also the country of origin of the imported goods. If not, provide details.

It is the applicant industry understands that the country of export is also the country of origin of the GUC.

3. If the source of the exports is a non-market economy, or an 'economy in transition' refer to Part C.4 and Part C.5 of the application.

Not Applicable

4. Where possible, provide the names, addresses and contact details of:

- producers of the goods exported to Australia;

The producer and exporter of the GUC is Guilin International Electric Wire & Cable Group Co. Limited, of No.41 Can Luan Rd Guilin Guangxi, China.

- importers in Australia

The Australian importer of the cable is Electra Cables (Australia) Pty Ltd of 21-23 Pavesi Street, Guildford. N.S.W. 2161.

5. If the import volume from each nominated country at Appendix A.2 (Australian Market) does not exceed 3% of all imports of the product into Australia refer to Part C.6 of the application.

Not applicable.

6. In the case of an application for countervailing measures against exports from a developing country, if the import volume from each nominated country at Appendix A.2 (Australian Market) does not exceed 4% of all imports of the product into Australia refer to Part C.6 of the application

Not applicable

B-2 Export Price

Possible sources of information on export price include export price lists; estimates from the Australian Bureau of Statistics; a deductive export price calculation from the Australian selling price of the imported goods; export sales quotations or invoices; foreign government export trade clearances.

1. Indicate the FOB export price(s) of the imported goods. Where there are different grades, levels of trade, models or types involved, an export price should be supplied for each.

A deductive export price has been calculated for each model and appears in appendix "B1 & B2 Dumping Margins" worksheets. See electronic file for A-9.3 for details.

2. Specify the terms and conditions of the sale, where known.

Refer to appendix "B1 & B2 Dumping Margins" worksheets. See electronic file for A-9.3 for details.

3. If you consider published export prices are inadequate, or do not appropriately reflect actual prices, please calculate a deductive export price for the goods. Appendix B1 (Deductive Export Price) can be used to assist your estimation.

Because the manufacturer/exporter and the importer are believed to be related in terms of the Customs Act 1901 and therefore regarded as non arms length customers, a deductive export price has been arrived at using information available to the ACM. Refer Appendix B1 for a detailed presentation of that information.

4. It is important that the application be supported by evidence to show how export price(s) have been calculated or estimated. The evidence should identify the source(s) of data.

Please refer to attachment mentioned in the above response. The industry has relied upon historic trends in import data, market knowledge and Australian industry sales volumes.

B-3 Selling price (normal value) in the Exporter's Domestic Market

1. State the selling price for each grade, model or type of like goods sold by the exporter, or other sellers, on the domestic market of the country of export.

In seeking to arrive at normal values for GUC the ACM sought advice from subsidiary companies operating in China. The advice received from those companies was that

- there are no sales of like goods in China
- cable manufacturing companies in China are all export oriented and;
- to their knowledge there are no other sellers of like goods in China

The ACM understands that customs gives consideration to selling prices of like goods sold to third countries. The ACM have been unable to access any third country sales information. Consequently the ACM have constructed normal values using information available to them. The costs arrived at have been determined using the considerable experience and knowledge and expertise of the ACM gained over many years in manufacturing the GUC. It should be noted that the ACM have been conservative in their estimates.

2. Specify the terms and conditions of the sale, where known.

Investigations conducted by the Australian Industry in China were unsuccessful in locating any sellers of like goods.

3. Provide supporting documentary evidence.

Not Applicable

4. List the names and contact details of other known sellers of like goods in the domestic market of the exporting country.

Investigations conducted by the Australian Industry in China were unsuccessful in locating any sellers of like goods.

B-4 Estimate of Normal Value using Another Method

This section is not mandatory. It need only be completed where there is no reliable information available about selling prices in the exporter's domestic market. Other methods of calculating a normal value include:

- the cost to make the exported goods plus the selling and administration costs (as if they were sold in the exporter's domestic market) plus an amount for profit (if applicable);

OR

- the selling price of like goods from the country of export to a third country.

1. Indicate the normal value of the like goods in the country of export using another method (if applicable, use appendix B2 Constructed Normal Value).

Given the absence of sales of like goods in China, the Australian Industry has elected to construct a normal value for each model using its individual and collective experience as indicated in Appendix "B1 & B2 Dumping Margins" worksheets.

2. Provide supporting documentary evidence.

Please refer to Industry Confidential Electronic file attached B1 & B2 Dumping Margins for Constructed Selling Price for each of the nominated GUC.

B-5 Adjustments

A fair comparison must be made between the export price and the normal value. Adjustments should be made for differences in the terms and circumstances of the sales such as the level of trade, physical characteristics, taxes or other factors that affect price comparability.

1. Provide details of any known differences between the export price and the normal value. Include supporting information, including the basis of estimates.

Given that the GUC are not offered for sale in China, Australian manufacturers, have constructed a normal value using information available to them. They chosen to compare a constructed normal value at an FOB Shanghai price with a deductive export price arrived at FOB Shanghai. The ACM have not made reference to due allowance because as already stated there are no sales of like goods in China.

2. State the amount of adjustment required for each and applies the adjustments to the domestic prices to calculate normal values. Include supporting information, including the basis of estimates.

Please refer to the previous answer

B-6 Dumping Margin

1. Subtract the export price from the normal value for each grade, model or type of the goods (after adjusting for any differences affecting price comparability).

Please refer to Appendices B1 and B2

2. Show dumping margins as a percentage of the export price.

Please refer to Appendices B1 and B2

PART C

SUPPLEMENTARY SECTION

IMPORTANT

Replies to questions in Part C are not mandatory in all instances, but may be essential for certain applications.

You should contact the Customs Dumping Liaison Unit before answering any question in this part:

☎ **(02) 6275-6066 Fax (02) 6275-6990**

C-1 Subsidy

1. Identify the subsidy paid in the country of export or origin. Provide supporting evidence including details of:
(i) the nature and title of the subsidy;
(ii) the government agency responsible for administering the subsidy;
(iii) the recipients of the subsidy; and
(iv) the amount of the subsidy

The ACM is requesting that Customs initiates an investigation into the alleged dumping of electric cable from China. As the request doesn't seek the imposition of a countervailing duty the above question is not relevant.

C-2. Threat of material injury

1. Identify the change in circumstances that has created a situation where threat of material injury to an Australian industry from dumping/subsidisation is foreseeable and imminent, for example by having regard to:

I. the rate of increase of dumped/subsidised imports;
II. changes to the available capacity of the exporter(s);
III. the prices of imports that will have a significant depressing or suppressing effect on domestic prices and lead to further imports;
IV. inventories of the product to be investigated; or
V. any other relevant factor(s).

The application by the ACM is not based upon a threat of material injury. Accordingly the above question does not require an answer in these circumstances.

2. If appropriate, include an analysis of trends (or a projection of trends) and market conditions illustrating that the threat is both foreseeable and imminent.

Not applicable.

C-3. Close processed agricultural goods

Where it is established that the like (processed) goods are closely related to the locally produced (unprocessed) raw agricultural goods, then – for the purposes of injury assessment – the producers of the raw agricultural goods form part of the Australian industry. This section is to be completed only where processed agricultural goods are the subject of the application**. Applicants are advised to contact the Dumping Liaison Unit before completing this section☎(02) 6275-6066 Fax (02) 6275-6990**.

1. Fully describe the locally produced raw agricultural goods.

The GUC are not close processed agricultural goods.

2. Provide details showing that the raw agricultural goods are devoted substantially or completely to the processed agricultural goods.

Not applicable

3. Provide details showing that the processed agricultural goods are derived substantially or completely from the raw agricultural goods.

Not applicable

4. Provide information to establish either:

- **a close relationship between the price of the raw agricultural goods and the processed agricultural goods; or**
- **that the cost of the raw agricultural goods is a significant part of the production cost of the processed agricultural goods.**

Not applicable

C-4. Exports from a non-market economy

1. Provide evidence the country of export is a non-market economy. A non-market economy exists where the government has a monopoly, or a substantial monopoly, of trade in the country of export and determines (or substantially influences) the domestic price of like goods in that country.

Customs has advised that China is now regarded as free market economy

2. Nominate a comparable market economy to establish selling prices.

Not applicable

3. Explain the basis for selection of the comparable market economy country.

Not applicable

4. Indicate the selling price (or the cost to make and sell) for each grade, model or type of the goods sold in the comparable market economy country. Provide supporting evidence.

Not applicable

C-5 Exports from an 'economy in transition'

1. Provide information establishing that the country of export is an 'economy in transition'.

The ACM understands that China was identified as an "closed economy in transition" sometime ago. Further following recognition from the Australian Government recognition of China as a free market economy, the economy in transition identifier dissipated.

2. A price control situation exists where the price of the goods is controlled or substantially controlled by a government in the country of export. Provide evidence that a price control situation exists in the country of export in respect of like goods.

The ACM has no evidence of price controls operating in China.

3. Provide information (reasonably available to you) that raw material inputs used in manufacturing/producing the exported goods are supplied by an enterprise wholly owned by a government, at any level, of the country of export.

The ACM are not aware whether that this may be the case.

4. Estimate a 'normal value' for the goods in the country of export for comparison with export price. Provide evidence to support your estimate.

Refer to attachments B1 and B2 provided.

C-6 Aggregation of Volumes of dumped goods

Only answer this question if required by question B-1.5 of the application and action is sought against countries that individually account for less than 3% of total imports from all countries (or 4% in the case of subsidised goods from developing countries). To be included in an investigation, they must collectively account for more than 7% of the total (or 9% in the case of subsidised goods from developing countries).

	Quantity	**%**	**Value**	**%**
All imports into Australia		100%		100%
Country A*				
Country B*				
etc*				
Total				

* Only include countries that account for less than 3% of all imports (or 4% in the case of subsidised goods from developing countries). Use the data at Appendix A.2 (Australian Market) to complete the table.

Not Applicable

Attachments

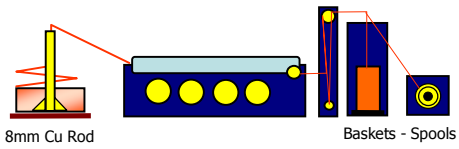
A-3.6 ACM Production Process

Desc Production Process of Advance

Dig Production Processof Advance

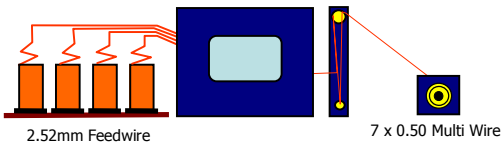
Rod Drawing

8 mm Copper Rod is reduced through wire drawing dies down to sizes as low as 1.13mm into baskets or spools.



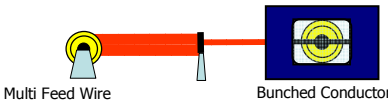
Multi Wire Drawing

Draws up to 7 wires at the same time from 2.52 mm Feed Wire down to sizes as low as 0.50mm onto spools.



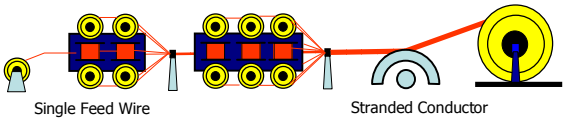
Bunching

Takes spools of Multi Wire and twists the wires together to form a Flexible Bunched Conductor onto spools.



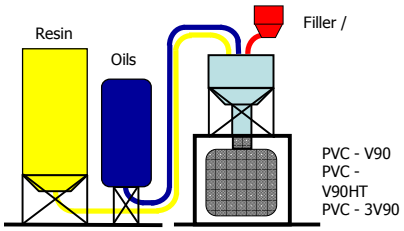
Stranding

Takes spools of Single Wire / Bunched Conductor and twists the wires together to form a Circular Stranded Conductor onto spools.



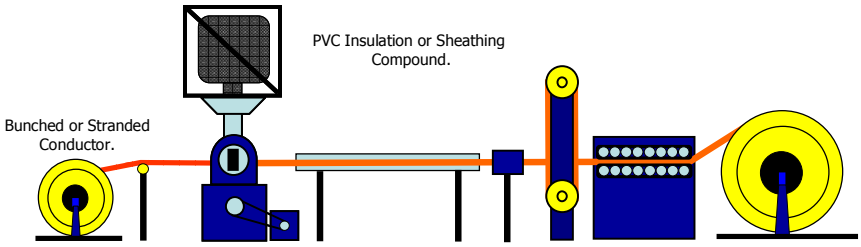
Compounding

Takes ingredients such as Resins, Oils, Stabilisers, Fillers and mixes them, this is then heated and extruded into PVC pellets around 2mm in diameter.



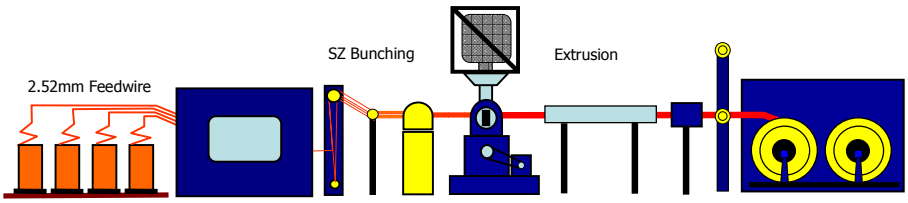
Extrusion

Takes the bare conductor and extrudes the PVC pellets over the top to create a Finished Cable or Cores for further processing.



Tandem Extrusion Line

Combines Multi Wire Drawing, Bunching and Extrusion into one Process.



Reeling

Automatic rewinding machine takes Bulk Spools up to 20,000 mtr and re spools them onto 50 to 200 mtr Spools