Australian Government

Anti-Dumping Commission

Application for the publication of dumping and/or countervailing duty notices

Rod in Coil exported from The Republic of Indonesia, Taiwan and Turkey

ANTI-DUMPING COMMISSION
Form B108
August 2013

APPLICATION UNDER SECTION 269TB OF THE *CUSTOMS ACT 1901* FOR THE PUBLICATION OF DUMPING AND/OR COUNTERVAILING DUTY NOTICES

DECLARATION

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

☑ a dumping duty notice, or

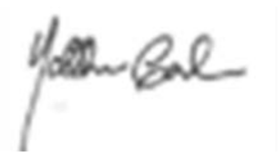
☐ a countervailing duty notice, or

☐ 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: Matt Condon
Position: Manager, Trade Development
Company: OneSteel Manufacturing Pty Ltd
ABN: 42 004 651 325
Date: 21st February 2014

IMPORTANT INFORMATION

Signature requirements

Where the application is made:

By a company - the application must be signed by a director, servant or agent acting with the authority of the body corporate.

By a joint venture - a director, servant, agent of each joint venturer must sign the application. Where a joint venturer is not a company, the principal of that joint venturer must sign the application form.

On behalf of a trust - a trustee of the trust must sign the application.

By a sole trader - the sole trader must sign the application.

In any other case - contact the Commission's Client support section for advice.

Assistance with the application

The Anti-Dumping Commission has published guidelines to assist applicants with the completion of this application. Please refer to the following guidelines for additional information on completing this application:

- *Instructions and Guidelines for applicants: Application for the publication of dumping and or countervailing duty notices*
- *Instructions and Guidelines for applicants: Examination of a formally lodged application*

The Commission's client support section can provide information about dumping and countervailing procedures and the information required by the application form. Contact the team on:

Phone: 1300 884 159

Fax: 1300 882 506

Email: clientsupport@adcommission.gov.au

Other information is available from the Commission's website at www.adcommission.gov.au.

Small and medium enterprises (i.e., those with up to 200 employees) may obtain assistance, at no charge, from the International Trade Remedies Adviser, employed by Australian Industry Group and funded by the Australian government. To access this service, visit www.aigroup.com.au/traderemedies or telephone (03) 9867 0267.

Important information

To initiate an investigation into dumping and/or subsidisation, the Commission 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 the Commission 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.

The Commission 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:

1. **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.
2. **Part B** relates to evidence of dumping.
3. **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 the Commission.

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, the Commission 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 verification visit, the Commission will examine company records and obtain copies of documents relating to the manufacture and sale of the goods.

Appendices

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).

Provision of data

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

- The data should be submitted on a media format compatible with Microsoft Windows.
- Microsoft Excel, or an Excel compatible format, is required.
- If the data cannot be presented electronically please contact the Commission's client support section for advice.

Lodgement of the application

This application, together with the supporting evidence, should be lodged with:

The National Manager - Operations
Anti-Dumping Commission
Customs House
1010 Latrobe St
Docklands VIC 3008

or

Sent by facsimile to **1300 882 506**

Public Record

During an investigation all interested parties are given the opportunity to defend their interests, by making a submission. The Commission maintains a public record of these submissions. The public record is available on the Commission's website at www.adcommission.gov.au.

At the time of making the application both a confidential version (for official use only) and non-confidential version (public record) of the application must be submitted. Please ensure each page of the application is clearly marked "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD". The non-confidential application should enable a reasonable understanding of the substance of the information submitted in confidence, clearly showing the reasons for seeking the conduct of a dumping and/or subsidy investigation, or, if those reasons cannot be summarised, a statement of reasons why summarisation is not possible. If you cannot provide a non-confidential version, contact the Commission's client support section for advice.

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 Commission's client support section on:

Phone: 1300 884 159
Fax: 1300 882 506
Email: clientsupport@adcommission.gov.au

A-1 Identity and communication.

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

Contact Name:	Mr Matt Condon
Company and position:	Manager Trade Development, OneSteel Manufacturing Pty Ltd
Address:	Level 6, 205 Pacific Highway, St Leonards, NSW 2065
Telephone:	(02) 8424 9880
Facsimile:	(02) 8424 9885
E-mail address:	CondonM@OneSteel.com
ABN:	42 004 651 325

Alternative contact

Name:	Ms Stephanie Peenz
Position in the company:	Trade Development Officer
Address:	Level 6, 205 Pacific Highway, St Leonards, NSW 2065
Telephone:	(02) 8425 9785
Facsimile:	(02) 8424 9885
E-mail address:	peenzs@onesteel.com

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

Name:	Mr John O’Connor
Representative's business name:	John O’Connor & Associates Pty Ltd
Address:	P.O. Box 329, Coorparoo Qld 4151
Telephone:	(07) 3342 1921
Facsimile:	(07) 3342 1931
E-mail address:	jmoconnor@optusnet.com.au
ABN:	39 098 650 241

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.

This application involves Rod in Coil (RIC) exported from Indonesia, Turkey and Taiwan. The name of the applicant company requesting the imposition of anti-dumping measures is:

OneSteel Manufacturing Pty Ltd (ABN 42 004 651 325)

OneSteel Manufacturing Pty Ltd (Hereafter referred to as (“OneSteel”) is a wholly owned subsidiary of Arrium Limited (formerly OneSteel Limited).

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

An internal organisation chart for OneSteel Manufacturing is enclosed 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.

Arrium Limited is a publicly listed company.

Major shareholders within the Arrium Limited Group of companies are disclosed in the company's annual report.

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

As indicated, OneSteel is a wholly-owned subsidiary of Arrium Limited, which is a publicly listed company on the Australian Stock Exchange.

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

Arrium Limited is not a subsidiary of any other company.

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).

A diagram identifying associated companies to OneSteel is included at Confidential Attachment A-2.6.

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

Corporate allocations are made to OneSteel by Arrium Limited in the form of corporate charges (for shared services, etc). The allocations have been included in OneSteel's Confidential Appendix A6.1 and Appendix A6.2 data.

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

OneSteel is not related to any Indonesian, Turkish or Taiwanese exporter of the goods the subject of this application.

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.

Arrium Limited's annual report for 2013 is included at Non-Confidential Attachment A-2.9. Copies of earlier annual reports are available from the company's website at www.onesteel.com.

10. Provide details of any relevant industry association.

Arrium is a member of the Australian Industry Group ("AiGroup"), the Australian Steel Institute, the Bureau of Steel Manufacturers of Australia ("BOSMA") and the South East Asian Iron & Steel Institute ("SEAISI").

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.**

Goods the subject of the application

The goods the subject of this application (the goods) is:

> *Hot rolled rods in coils of steel, whether or not containing alloys, of sections that have maximum cross sections that are less than 14mm.*

The goods covered by this application include all steel rods meeting the above description of the goods regardless of the particular grade or alloy content.

Goods excluded from this application include Deformed Bar in coils and stainless steel in coils.

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

The goods are typically classified under the following tariff classifications and statistical codes:

- 7213.91.00 (statistical code 44);
- 7227.90.90 (statistical code 42);

Indonesia and Turkey are designated DCS countries, and Taiwan is designated a DCT country. DCS and DCT countries for the goods under consideration exported to Australia are duty free.

An extract of the Customs Tariff for sub-headings 7213.91.00/44 and 7227.90.90/42 is enclosed at Non-Confidential Attachment A-3.2.

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.**

Rod In Coils (RIC") are sold into the Australian market typically in a range of diameters from 5.5mm to 18.5mm. Whilst rod is typically circular in cross sections, it can also be supplied in a range of non-circular shapes. This application only includes rods with a cross section of less than 14mm and excludes products 14mm and above.

The RIC that are the subject to this application are sold in a range of grades that include low, medium and high carbon grades. Low carbon rod is typically used as a feed material for general reinforcing mesh applications and plain wire fencing. Medium and high tensile rods are drawn into manufacturing feed wires for products such as wire ropes, springs and high tensile wire for fencing.

The weight of the coils supplied varies depends on the customer's requirements but is typically in the range of 1 to 2 tonnes.

OneSteel is the only Australian producer of RIC products in Australia and manufacturers equivalent goods to the imported RIC products.

OneSteel manufactures RIC in a range of grades and diameters at its manufacturing facilities in Laverton Victoria and Newcastle NSW.

Copies of OneSteel product brochures are included at Non-Confidential Attachment A-3.3.1.

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

OneSteel considers that the imported RIC possesses the same essential characteristics as locally produced RIC.

i. <u>Physical likeness</u>:

OneSteel's locally produced RIC and the imported goods are manufactured to the requirements of Australian and International Standards, and are alike in physical appearance. The imported and locally produced RIC are manufactured in a range of grades and diameters.

ii. <u>Commercial likeness</u>:

OneSteel's locally produced RIC competes directly with imported RIC in the Australian market.

iii <u>Functional likeness</u>

Both the locally produced and imported RIC have comparable or identical end-uses.

iv <u>Production likeness</u>

The RIC manufactured by OneSteel is manufactured in a similar manner and via similar manufacturing processes to the imported goods.

On the basis of the foregoing it can be concluded that the RIC manufactured by OneSteel, while not identical, possesses characteristics closely resembling the imported goods.

As at the date of this application, OneSteel considers that locally produced RIC continues to have characteristics that closely resemble the imported goods.

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

The ANZSIC code applicable to RIC is category 2110 for Iron Smelting and Steel Manufacturing.

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

The RIC manufacturing process may be summarized as follows:

- The raw material feed is steel billet which is supplied from the Laverton, Sydney or Whyalla steel works. The source of iron from Laverton and Sydney steelworks is scrap metal, whereas from Whyalla, it is iron ore;
- The billet is loaded into the reheat furnace and heated to approx. 1300° Celsius;
- The heated billet passes through a series of rolling stands;
- As the billet passes through each stand it gradually reduces in size and changes shape from a square section to a circular section.
- At the end of the rolling line, the wire rod is cooled and then formed into coils; and
- The RIC products are then tagged and strapped and transported to storage or despatched to customers.

Please refer to OneSteel Confidential Attachment A-3.6 for a RIC production process schematic.

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).**

OneSteel uses its own iron ore to produce billets supplied by the Whyalla business and produces billets at Laverton and Sydney, from purchases of steel scrap.

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

Rod In Coil is not a close processed agricultural product.

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

As indicated above OneSteel is the only Australian manufacturer of RIC.

A-4 The Australian market.

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

Steel hot rolled rods in coils that are less than 14mm in cross sections are a semi-finished intermediate feed material that is generally further processed by cold drawing[1] through a die to produce a wire. Wire drawn from rod is used in a variety of applications across a range of sectors of the Australian economy including (but not exclusive to):

- Reinforcing mesh manufacturing
- Wire manufacturing
- Mine mesh manufacturing
- General manufacturing
- Reinforcing ligatures

Reinforcing mesh is used in combination with concrete to produce reinforced concrete in the residential, commercial and engineering construction industries. The rod for this application is predominately a low carbon rod.

Reinforcing ligatures are an end use that doesn’t require the rod to be further drawn. These are typically square, rectangular and circular shapes made from rod. Common uses of ligatures are to separate mesh sheets or to assist in form reinforcing bar cages.

The wire manufacturing industry draws low, medium and high carbon rods to meet the needs of a broad wire industry. Key segments in the wire industry include rural wires, manufactures wires (e.g. welded mesh, chain mesh, springs, nails etc), steel in concrete wires and feed wire for wire rope and strand products.

Rod in coil sold to the automotive market for spring manufacture is typically sold in diameters that are 14mm or greater and as such are not likely to be impacted by this application.

The locally produced and imported goods are interchangeable across the range of major market segments identified above.

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;**

[1] Drawing refers to the further reduction in diameter

- **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.**

Australian market and Sources of Demand

The total size of the external RIC market in Australia in 2013 is estimated to be approximately xxxxxxxx metric tonnes. OneSteel sold xxxxxx metric tonnes to its domestic external customers and approximately 93,000 tonnes of RIC were imported from a range of countries including Indonesia, Taiwan, Turkey and New Zealand.

The RIC is sold nationally with the majority of the volume sold in the eastern states of Queensland, New South Wales and Victoria.

In 2013 OneSteel sold internally a further xxxxxxxx tonnes of "like goods" to its OneSteel Wire and reinforcing mesh businesses that use the RIC to process further into other products.

Marketing and distribution

In 2013 OneSteel sold approximately xxxx% of its external sales of the GUC to customers that use the RIC to draw wire to feed reinforcing mesh machines. These customers include:

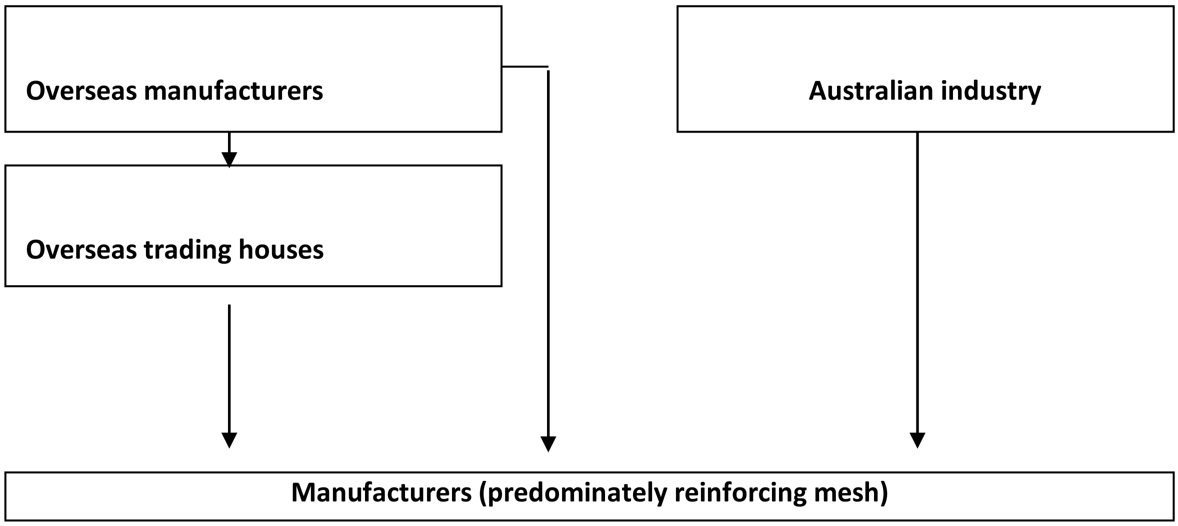
- [*name*]
- [*name*]
- [*name*]
- [*name*]
- [*name*]
- [*name*]
- [*name*]
- [*name*]
- [*name*]
- [*name*]

The remaining xxx% of the GUC is sold into general manufacturing or automotive industry that process the GUC to manufacture components such as springs and include the following companies:

- [*name*]
- [*name*]
- [*name*]
- [*name*]
- [*name*]
- [*name*]
- [*name*]
- [*name*]

Rod in Coil distribution diagram

The Australian RIC market comprises a single Australian producer, exporters, importers and end users that draw the rod into wire, and then process the wire further to make other products. The largest customer market segment is the reinforcing mesh manufacturers. The following diagram illustrates the distribution of locally produced and imported RIC:



Market Negotiations

OneSteel negotiates monthly prices for RIC with [*description*] mesh customers, based on the delivered price of the imported products in the month that the imports are due to arrive at the customer's facility. Customers provide both verbal and written feedback on import prices during the negotiations.

The way in which the imported and Australian product compete

The majority of RIC [*description*] customers can purchase either from OneSteel or from an import supply source. Import offers and movement in the price of import offers are used by [*description*] producers to negotiate prices from OneSteel.

Given the [*description*] nature of the products (i.e. low carbon semi-finished products for reinforcing mesh), the fact that only xx to xx items make up xx% of the customers volumes and the number of import offers available, customers negotiations are very price sensitive. OneSteel in order to secure sales volumes with RIC customers is obliged to respond to the alleged dumped price.

OneSteel alleges that exporters in the following countries are dumping: Indonesia, Taiwan and Turkey. It should be noted that Pacific Steel in New Zealand is an exporter of RIC and exports regular quantities of the GUC into Australia. OneSteel has no evidence that suggests the imports from New Zealand are unfairly priced and this is supported by the declining volumes of RIC imported from New Zealand in the last three years and aggregated annual pricing data provided by the Australian Bureau of Statistics.

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

Products that can be described as "fit-for-purpose" substitutes for RIC products include imported wire already drawn from rod.

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

OneSteel has completed Confidential Appendix A1 for the goods the subject of this application.

5. Complete appendix A2 (Australian market).

OneSteel has completed Confidential Appendix A2 comprising OneSteel's domestic sales of RIC, imports from the countries nominated in this application (Indonesia, Taiwan and Turkey), and imports from other countries (including New Zealand).

Please refer to Confidential Appendix A2.

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

*Indexed table of sales quantities**

Period	(a) **Your Sales**	(b) **Other Aust^n Sales**	(c) **Total Aust^n Sales** (a+b)	(d) **Dumped Imports**	(e) **Other Imports**	(f) **Total Imports** (d+e)	**(g) Total Market** (c+f)
2010	100	n/a	100	100	100	100	100
2011	78.9	n/a	78.9	527.4	102.0	142.2	104.7
2012	76.4	n/a	76.4	539.3	91.2	133.5	99.7
2013	79.8	n/a	79.8	922.0	55.0	136.9	103.2

Notes:

1. Years are 1 January to 31 December (i.e. Calendar years).
2. OneSteel is the sole Australian manufacturer of rod in coil.
3. Data for dumped and other imports is sourced from [*company*] due to confidentiality restrictions applicable to ABS import data. [*company*] data is based upon month of export from exporting country. OneSteel has assumed month of import is ISSB's previous month of export (i.e. a one-month delay has been incorporated). Data for New Zealand imports (included in "Other Imports") in Confidential Appendix A2 is based upon aggregate ABS data sourced annually, as Confidentiality restrictions also apply (see Attachment to Confidential Appendix A2). Annual data for New Zealand has been apportioned across four quarters. In 2011 N.Z. imports are overstated by 10,050 tonnes and by 2,513 tonnes in Jan-Mar 2012 quarter. OneSteel has taken account of the overstated volumes in the above.

Whilst the Australian market for RIC expanded by 5 per cent in 2011 as imports from Indonesia increased almost five-fold, the Australian industry lost 21 per cent of Australian sales volumes. OneSteel's sales volumes declined further in 2012, with exports to Australia from Indonesia, Taiwan and Turkey increasing. In 2013, the dumped imports from Indonesia, Taiwan and Turkey have continued to grow in aggregate – by approximately 70 per cent – displacing imports from other source countries (including New Zealand) and preventing OneSteel from accessing increased sales volumes that were held by the dumped exports.

The Australian industry's sales volumes of locally produced RIC in 2013 remain 20 per cent below the levels of 2010 – a year impacted by the global economic downturn – although the total market for RIC has expanded since 2010.

A-5 Applicant's sales.

1. Complete appendix A3 (sales turnover).

OneSteel has completed Confidential Appendix A3 for all sales including those for all products by the steel division within the Arrium Group of companies. Please refer to Confidential Appendix A3.

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

The following Tables reflect OneSteel's completed Confidential Appendix A3 schedule.

*Indexed table of Applicant's sales quantities**

Quantity	**2010**	**2011**	**2012**	**2013**
All products				
Australian	100	101.8	106.4	96.2
Export	100	229.4	56.4	155.8
Total	100	104.2	105.4	97.3
Like Goods				
Australian	100	78.9	76.4	79.8
Export	100	114.6	391.7	327.7
Total	100	79.3	80.1	82.7

Notes:

1. Years are January to December (i.e. Calendar years).
2. All products are all OneSteel's Rod and Bar sales of steel products (including the goods covered by this application).

*Indexed table of Applicant's sales values**

Values	**2010**	**2011**	**2012**	**2013**
All products				
Australian market	100	103.7	107.3	94.1
Export market	100	226.3	77.7	169.0
Total	100	105.6	106.8	95.3
Like goods				
Australian market	100	81.3	77.2	78.3
Export market	100	117.6	221.1	253.2
Total	100	81.9	79.6	81.2

Notes:

1. Years are January to December (i.e. Calendar years).

OneSteel's total domestic sales value of steel products increased in 2011, however, for the goods the subject of this application, an almost 20 percent reduction in domestic revenue was apparent. A further reduction in domestic revenues for RIC occurred in 2012, with a slight improvement in domestic revenue recorded in 2013.

OneSteel's domestic revenues for RIC in 2013 remain more than 20 per cent below the levels of 2010.

3. Complete <u>appendix A5</u> (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.**

Confidential Appendix A5 has been completed by OneSteel for all internal transfers of rod in coil. Please refer to Confidential Appendix A5.

4. Complete <u>appendix A4</u> (domestic sales).

OneSteel has completed Confidential Appendix A4 for domestic sales of rod in coil during the twelve months 1 January 2013 to 31 December 2013. The sales data has been provided on a USB due to the high volume of sales over this period.

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

Customers that are associated with OneSteel are readily identified in Confidential Appendix A4.

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

Copies of distributor agreements are attached (for *customers*) at Confidential Attachment A-5.6.

7. Provide copies of any price lists.

Copies of OneSteel price lists for its customers are included at Confidential Attachment A-5.7. OneSteel has also included a copy of its Transport Delivery Guide for Steel in Concrete products (including RIC) effective from 1 February 2013.

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

Rebates and discounts are included in sales listed in Confidential Appendix A4 for OneSteel.

9. Select two domestic sales in each quarter of the data supplied in <u>appendix A4</u> (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.

OneSteel has included two complete sets of commercial documentation for two customers in each of the four quarters to December 2013. Please refer to Confidential Attachment A-5.9 for OneSteel commercial documentation.

A-6 General accounting/administration information.

1. Specify your accounting period.

OneSteel's financial year is 1 July to 30 June.

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

The financial records for OneSteel are located at the premises nominated at Section A-1 above.

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:

- **chart of accounts;**
- **audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);**
- **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.**

The Chart of Accounts for OneSteel have been included electronically with this application.

Annual Report for Arrium's 2013 year is included at Non-Confidential Attachment A-2.9.

Internal management reports for OneSteel have been included at Confidential Attachment A-6.3.

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.

The accounts of Arrium Ltd (the parent company of OneSteel) are audited annually. This question is therefore not applicable.

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

The accounting practices of OneSteel are maintained in accordance with Australia's generally accepted accounting practices.

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;**

  Income from the sale of goods is recognised when the consolidated entity has passed control of the goods to the buyer.

- **provisions 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.

- **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.

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

  Raw materials, stores, work in progress and manufactured stocks are valued at the lower of cost and net realisable value. The methods used to assign costs to inventories are actual invoiced cost or standard costs.

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

  Lower of cost and net realisable value.

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

  Lower of cost and net 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 10-40 years
  Plant and equipment 3-20 years
  Equipment under finance lease 3-5 years

- **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.**

  Provisions for restructuring represents best estimate of the costs directly and necessarily incurred for the restructuring and not associated with ongoing activities.

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

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

OneSteel has completed Confidential Attachment A-6.1 and A-6.2 for domestic and export sales, respectively.

All OneSteel indices data for Section A-8 below has been sourced from Confidential Appendix A6.1 and A6.2 schedules.

A-8 Injury

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

The material injury from the dumping of RIC commenced in 2011 with the significant increase in exports from Indonesia (an increase from 6,391 tonnes to 28,877 tonnes). Coinciding with the increase in RIC exports from Indonesia, OneSteel's domestic sales of local production declined by approximately 21 per cent. In 2012, exports of RIC from Taiwan and Turkey emerged, with further increases in exports of RIC from all three countries – Indonesia (a 60 per cent increase in 2013 over 2012), Taiwan (a 69 per cent increase) and Turkey (a 110 per cent increase).

OneSteel has pursued a strategy of maintaining market share since 2011 and has maintained its sales volumes. Exports from other countries (including New Zealand) have lost market share in Australia since 2011 to the dumped exports from Indonesia, Taiwan and Turkey.

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 (metric tonnes)

Period	2010	2011	2012	2013
RIC <14mm	100	78.7	81.4	97.5

Notes:

1. Production includes for both domestic and export sales
2. Years are January to December.

OneSteel's production of rod in coil ("RIC") declined in 2011 (by 21 per cent), increased in 2012 and increased further in 2013. In 2012 and 2013, OneSteel has increased export sales as it has been unable to displace increasing volumes of dumped exports to Australia from Indonesia, Taiwan and Turkey (although volumes remain below 2010 levels).

Index of cost variations (A$ per metric tonnes)

Period	2010	2011	2012	2013
RIC <14mm	100	103.0	99.9	98.9

Notes:

1. Data sourced from Line J unit cost to make and sell, Appendix A6.1.
2. Years are January to December.

There was an increase in OneSteel's cost to make and sell ("CTM&S") RIC in 2011 caused by the 21 per cent reduction in manufacturing output, resulting in a higher cost per tonne for plant overheads. Production increased in 2012 and further again in 2013 to assist in reducing unit costs for RIC. Coinciding with the increased production, OneSteel introduced cost reduction initiatives that have been offset by raw material cost increases.

Index of price variations (model, type, grade of goods)

Period	2010	2011	2012	2013
RIC <14mm	100	103.1	100.1	98.1

Notes:

1. Data sourced from Line 55 unit selling price, Appendix A6.1.
2. Years are January to December.

OneSteel has experienced price depression in 2012 and 2013 in its external sales of RIC as it seeks to maintain market share and compete with increasing dumped exports of RIC from Indonesia, Taiwan and Turkey.

Index of profit variations (model, type, grade of goods)

Period	**2010**	**2011**	**2012**	**2013**
RIC <14mm	100	97.2	287.4	-80.7

Notes:

1. Data sourced from line 57 of Appendix A6.1.
2. Years are January to December.

The 2010 calendar year was adversely affected by the general economic global slowdown, hence the profit achieved by OneSteel in its RIC business in this year was low. In 2011, the Australian market for RIC expanded (by approximately 4 per cent), however, OneSteel's sales declined and the company's RIC unit profit from external sales also declined. In 2012, sales volumes were relatively stable as OneSteel sought to maintain market share (by reducing prices), with a moderate improvement in profit. In 2013, OneSteel's profit has again deteriorated as the company responded to price offers for dumped exports from Indonesia, Taiwan and Turkey (in increasing volumes).

Index of Profitability variations (model, type, grade of goods)

Period	**2010**	**2011**	**2012**	**2013**
RIC <14mm	100	119.4	372.3	-103.1

Notes:

1. Data sourced from Line 61 of Appendix A6.1.
2. Years are January to December.

OneSteel's profit as a percentage of selling price has mirrored the trends in net profit over the periods 2010 to 2013, with a decline in 2013 (from an inadequate base year in 2010)

3. Complete appendix A7 (other economic factors).

OneSteel has completed Confidential Appendix A7 to this application. OneSteel has experienced injury in the following indicators identified in Confidential Appendix A7:

Index of Return on Investment variations (model, type, grade of goods)

Period	**2010**	**2011**	**2012**	**2013**
RIC <14mm	100	132.7	394.9	-86.4

Notes:

1. Data sourced from Line 43 of Appendix A6.1.
2. Years are January to December.

Acceptable returns within the Arrium Steel Group of companies are identified as xx per cent return on funds (refer Confidential Attachment A-8.2 for ROI benchmark information for Arrium). The OneSteel domestic RIC business achieved a xxx per cent return on sales in 2010 (influenced by the economic downturn), and delivered improved returns in 2011 and 2012. However, there was a sharp decline in the ROI achieved for 2013.

The "Cost Adjusted" ROI at Confidential Appendix A7 (for RIC < 14mm) includes the costs removed from the RIC business over the years 2011 to 2013 and has aggregated the savings with the profit/loss achieved in each year to identify a return that would have been achieved in the absence of the cost savings initiatives. The data confirms that OneSteel has reduced the material damage experienced from dumping in 2013 due to its program of “self-help” initiatives and that actual losses and ROI in 2013 would have been higher.

The “adjusted ROI” for RIC (of less than 14mm domestic sales only) has deteriorated further in 2013. This is consistent with the increased competition from the dumped exports to Australia as OneSteel has experienced price depression and price suppression in 2013. OneSteel’s return on investment in 2013 was hampered by the increase in dumped exports in the market and has prevented the company from capitalizing on any benefits derived from cost savings initiatives introduced over the years 2011 to 2013.

OneSteel submits that the return on investment in each of the years subsequent to 2010 has been inadequate and the influence of increasing volumes of dumped exports to Australia from Indonesia, Taiwan and Turkey in 2013 has been an influencing factor in OneSteel’s profit and profitability.

Index of revenue variations (model, type, grade of goods)

Period	**2010**	**2011**	**2012**	**2013**
RIC <14mm	100	81.9	79.6	81.2

Notes:

1. Data sourced from Line 61 of Appendix A6.1.
2. Years are January to December.

OneSteel’s revenues have deteriorated from 2010 as it lost approximately 22,000 tonnes of domestic sales in 2011 to exports of RIC from Indonesia. As OneSteel sought to maintain market share in 2012 it experienced a further decline in revenues (although there was an increase in export revenues). In 2013, revenues have increased due primarily to an increase in export sales revenue.

Index of Employment variations (model, type, grade of goods)

Period	**2010**	**2011**	**2012**	**2013**
RIC <14mm	100	95.7	96.4	93.1

Notes:

1. Data sourced from Appendix A7.
2. Years are January to December.

From 2010, OneSteel has reduced its employment levels in RIC production by approximately seven per cent with a 3.5 per cent reduction in 2013.

Index of Productivity variations (model, type, grade of goods)

Period	**2010**	**2011**	**2012**	**2013**
RIC <14mm	100	108.5	110.9	115.4

Notes:

1. Data sourced from Appendix A7.
2. Years are January to December.

In contrast with the decline in employment levels associated with RIC production since 2010, OneSteel has been able to increase its productivity year-on-year over the intervening years.

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 <u>appendix A2</u> (Australian market) the influence of the volume of dumped imports on your quarterly sales volume and market share.

In 2010, exports of rod in coil ("RIC") to Australia from Indonesia accounted for 9.4 per cent (approximately 6,400 tonnes) of the total volume (approx 68,000 metric tonnes) of export supply to Australia. Taiwan's exports were less than 100 tonnes, with zero exports from Turkey.

During 2011, exports of RIC from Indonesia increased dramatically to 28,877 tonnes (approximately 34 per cent of total imports). Meanwhile, OneSteel's domestic sales of local production declined by 21 per cent. Exports from Taiwan and Turkey were essentially non-existent. Exports from New Zealand and other source countries remained at a similar level to the volumes of 2010. Indonesian exports of RIC displaced OneSteel's sales of local RIC production.

In 2012, exports from Taiwan and Turkey emerged accounting for approximately 3 and 6 per cent of total exports to Australia respectively. Exports from Indonesia held 28 per cent of total exports, whilst volumes from remaining source countries declined by approximately 10 per cent. OneSteel's sales volumes in 2012 were relatively stable.

There was a sharp and dramatic increase in exports from Indonesia (60 per cent), Taiwan (69 per cent) and Turkey (110 per cent) in 2013. Exports from other countries continued to decline – by 40 per cent. OneSteel's domestic sales of RIC increased by 3.5 per cent against the dumped exports but remained 20 per cent below the levels of 2010.

OneSteel attributes the dramatic increase in export volumes of RIC from Indonesia, Taiwan and Turkey to the dumped prices that undercut OneSteel's selling prices and displaced exports from other source countries (including New Zealand). Had OneSteel not reduced its selling prices for locally produced RIC, it would have experienced significant reductions in sales volumes and market share in 2012 and 2013.

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

The Australian industry's selling prices for RIC are determined by competitive offers for imported product. Confidential Appendix A2 confirms that the share of total exports to Australia during 2013 (i.e. sourced from [*company name*] export data) held by exporters in Indonesia, Taiwan and Turkey was 63.6 per cent (i.e. almost two-thirds of total exports or imports into Australia during 2013).

In 2012, the aggregate share of total exports to Australia by exporters in Indonesia, Taiwan and Turkey was 37 per cent.

The rapid escalation of export volumes by exporters of RIC in Indonesia, Taiwan and Turkey during 2013 has been facilitated by the decline in export prices in 2013 consistently undercutting the Australian industry's selling prices. OneSteel has included a summary of competitive price offers, including monthly summaries (refer Confidential Attachment A-9.2.1) for imported RIC sourced from Indonesia and Turkey that undercut OneSteel selling prices by between 2 and 14 per cent during 2013.

The 70 per cent growth in exports of RIC from Indonesia, Taiwan and Turkey is counter to the growth trends in sales of the Australian industry and imports from other source countries. Demand for RIC in Australia during 2013 increased (i.e. approximately 3.5 per cent) and imports from all other sources declined – by approximately 40 per cent.

OneSteel increased its production of RIC during 2013 and was well placed to supply increased volumes to the local market. However, OneSteel was prevented from achieving domestic sales volume growth due to price undercutting from the dumped exports that were contrary to the trends in export volumes from other source countries.

It is further demonstrated that as OneSteel has sought to increase its margin over import prices the consequential impact has been an increase in import volumes and a decline in OneSteel's domestic sales volumes. Please refer to the graph at Confidential Attachment A-9.2.2 depicting OneSteel's margin over import prices versus sales volumes.

The impact of the alleged dumping and price undercutting on OneSteel's profit and profitability has further delayed the business' recovery from 2010 – a year impacted by the global economic downturn. OneSteel's profit deteriorated in 2013 as its margin over costs was squeezed – even though OneSteel has reduced its production overheads and selling expenses in 2012 and 2013 (refer to cost savings identified at Confidential Appendix A7). The return on sales for OneSteel's domestic RIC business is unacceptable (refer to supporting documentation at Confidential Attachment A-8.2) and can be directly attributable to the impact of lost sales to by dumped exports from Indonesia, Taiwan and Turkey.

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).

The growth in dumped exports from Indonesia, Taiwan and Turkey since 2010 – from a mere 6,456 tonnes to 59,525 tonnes has had a major impact on the remaining suppliers to the Australian market. In 2010, the exports from the nominated countries accounted for less than 4 per cent of the Australian market. By 2013, the dumped exports held approximately 34 per cent of the Australian RIC market. This accelerated growth in export volumes from Indonesia, Taiwan and Turkey – that has displaced sales of locally produced RIC and imports from other countries (including higher-priced imports from New Zealand) – has only been possible with lower prices that undercut the incumbent supplier's prices. OneSteel has continued to focus on reducing its costs in response to the lower prices, however selling prices have declined at a much faster rate in 2013 than OneSteel has been able to reduce its costs.

The growth in alleged dumped exports has prevented OneSteel from achieving any recovery in the domestic RIC market post the global economic slowdown of 2010. Following OneSteel's loss of significant volumes in 2011, OneSteel sought to hold sales volume at the expense of price. The dumped exports, however, have increased further in 2013 due to price offers at levels below the Australian industry (by between 2 and 14 per cent during 2013).

OneSteel seeks to highlight with the Anti-Dumping Commission ("the Commission") via the Confidential Appendix A6.1 schedule that increased production volumes have contributed to reductions in allocated overhead costs per metric tonne (in each of 2012 and 2013). OneSteel has achieved lower production costs in 2013, however, has surrendered the benefits achieved by having to reduce its selling price to address price undercutting from the dumped exports. As indicated, OneSteel has sought to maintain sales volumes and market share and has therefore achieved this via reductions in domestic selling prices.

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.

This application outlines that OneSteel has adopted cost-saving and operational improvement initiatives to reduce its manufacturing overhead costs for the goods under consideration. These initiatives include reductions in employee numbers so that overall fixed costs can be lowered.

The return on investment in the RIC business is inadequate and this has been compounded by the impact of the dumped exports during 2013. The negative ROI increases the difficulty for the business to attract capital for re-investment purposes within the broader Arrium portfolio of businesses (please refer to supporting documentation detailing required returns by Arrium at Confidential Appendix A-8.2, and quantification of the cost savings achieved in Confidential Appendix A7).

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

OneSteel submits that the injury it has experienced from the dumped RIC exports from Indonesia, Taiwan and Turkey (commencing in 2011, and accelerating by 70 per cent during 2013) is both material and pervasive.

The materiality of the sales captured by the dumped exports in 2013 – 59,525 tonnes (or more than one-third of the total Australian RIC market) highlights the materiality of the lost production volumes, price depression and price suppression, and subsequent profits and profitability forgone to the injurious exports.

OneSteel possesses the production capacity to supply the sales held by the dumped exports. The margin over variable costs for OneSteel in 2013 was approximately $xxx per metric tonne. Had OneSteel sold these tonnes at 2013 selling prices, a contribution to profit of approximately $xxx million would have been achieved (and an additional $xx Million in domestic sales revenue). This improved level of profit would have achieved an approximate xx per cent return on domestic sales. These calculations do not take account of efficiency gains achieved via reduced overhead costs due to high production output.

In terms of injury through price suppression, OneSteel considers that the price-impact of the dumped exports is estimated at approximately $xx per metric tonne sold (i.e. minimum dumping margin of 9 per cent on an A$FOB export price of approximately $650 per metric tonne) across OneSteel's domestic sales of approx xxxxxx tonnes, totaling approx $xxxx Million in 2013.

The injury caused by the dumped RIC exports from Indonesia, Taiwan and Turkey is ***material*** as it has contributed to a loss in sales volume (of up to $xxM per annum) and contribution to margin on lost sales (approximately $xx per metric tonne i.e. $xxx per metric tonne contribution less domestic freight cost) of approximately $xxM and a further price suppression and impact on profit and profitability on OneSteel's sales tonnes of approx $xxxM.

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.

Demand for RIC on the Australian market throughout 2013 increased by approximately 3.5 per cent. In seeking to maintain its sales volumes, OneSteel implemented operational and cost saving initiatives to improve its financial ability to compete with dumped exports. These cost efficiencies aided OneSteel's competitiveness against the dumped exports, with OneSteel reducing selling prices to hold sales volume (and market share).

The alleged dumping of RIC during 2013 has prevented OneSteel from receiving benefits through its introduced cost-saving initiatives, and has contributed to a further deterioration in profit.

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 <u>appendix A2</u> (Australian market), <u>appendix A6</u> (cost to make and sell), and <u>appendix A7</u> (other economic factors) to support your analysis.

This application addresses the injurious impacts of dumped exports of RIC from Indonesia, Taiwan and Turkey since 2010. It has been demonstrated that in 2010, OneSteel achieved a market share of xx per cent. Following a rapid increase in imports from Indonesia in 2011 (no exports were recorded from Taiwan or Turkey), OneSteel's market share decreased to approximately xx per cent. As exports from Indonesia, Taiwan and Turkey increased in 2013 (by a further 70 per cent over 2012 volumes) displacing imports from other countries (predominantly New Zealand), the dumped exports had increased market share to approximately xx per cent of the Australian market. In 2013 OneSteel's market share was maintained, and was estimated at approximately xx per cent.

It is evident that OneSteel has experienced a loss of market share following the growth in Indonesian exports since 2010. Over the subsequent three-year period, further increases in exports from Indonesia combined with the emergence of significant volumes from Taiwan and Turkey, the volume impact of the injurious exports has been to displace non-dumped exports from other source countries (primarily, New Zealand). The impact of the exports at dumped prices has contributed to a reduction of OneSteel's margin in 2013, caused by price undercutting resulting in price depression and price suppression, contributing to a reduction in profit and profitability.

Additionally, as OneSteel has attempted to increase its margin over import prices it has lost sales volumes to imports (refer Confidential Attachment A-9.2.2). The graph demonstrates that RIC is a price-sensitive market, where price is the influencing factor in the purchasing decision.

The injury experienced by OneSteel in 2013 is considered material as in order to maintain sales volume and market share, it has had to reduce its prices in response to the price undercutting of the dumped goods. The reduction in OneSteel's selling prices has also meant that the benefits of the operational and cost savings initiatives introduced in 2012 and 2013 have not been realized (refer Confidential Appendix A7).

OneSteel notes the Ministerial Direction issued by the Minister for Home Affairs on 17 April 2012. In discussing the grounds for injury claims in an expanding market, mention is made of the impact of dumping or countervailing on the local industry's rate of growth. The following extract from the Ministerial Direction is considered relevant to the circumstances of this application for anti-dumping measures on RIC exported from Indonesia, Taiwan and Turkey, namely[2]:

> *"….In cases where it is asserted that the Australian industry would have been more prosperous if not for the presence of dumped or subsidized imports, I direct that you be mindful that a decline in an industry's rate of growth may be just as relevant as the movement of an industry from growth to decline. I direct that it is possible to find material injury where an industry suffers a loss of market share in a growing market without a decline in profits. As in all cases, a loss of market share cannot alone be decisive. I direct that a loss of market share should be considered with a range of relevant injury indicators before material injury may be established."*

OneSteel can demonstrate a loss in market share from 2010 and the above extract of the 2012 Ministerial Direction is relevant to the extent that OneSteel has been unable to participate in the sales volumes and market share held by the dumped exports in the Australian market since 2011. OneSteel has not participated in any significant growth in sales volumes over the period in which the dumped exports have grown by approximately 830 per cent.

The Australian industry is alarmed by the rapid and dramatic growth in the dumped export volumes from Indonesia, Taiwan and Turkey in 2013. OneSteel is also concerned that continued growth in the dumped exports will cause a further, dramatic decline, in OneSteel's sales volumes and market share. The summary of price undercutting examples included at Confidential Attachment 9-2 demonstrates that continued price undercutting will result in increased export volumes of RIC from Indonesia, Taiwan and Turkey. Further increases in dumped export volumes will cause additional price depression and price suppression, with subsequent deteriorations in profit and profitability to follow.

This application also demonstrates that exports at dumped prices from the nominated countries are continuing in 2014 (refer Confidential Attachment A-9.2 for market offers of dumped exports in the Jan-Mar 2014 quarter).

OneSteel requests that the Commission commence a formal investigation into its claims that the increasing exports of RIC from Indonesia, Taiwan and Turkey are at dumped prices and that the alleged dumping has caused (and will continue to cause) material harm to the industry producing like goods. Additionally, OneSteel is seeking the publication of a Preliminary Affirmative Determination ("PAD") and the imposition of provisional measures at the earliest opportunity from Day 60 of a formal investigation to prevent further material injury from occurring.

[2] Ministerial Direction, ACDN No. 2012/24 of 1 June 2012.

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 imported goods the subject of this application are produced in, and exported from, the Republic of Indonesia ("Indonesia"), Taiwan and Turkey.

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

It is OneSteel's understanding that that the country of export of the goods is also the country of origin.

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.

For the purposes of Australia's Anti-Dumping and Countervailing provisions, the countries nominated in this application as the source of injurious goods are each considered market economy countries. This question therefore does not apply to this application.

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

- **producers of the goods exported to Australia;**

The producers of the RIC exported to Australia are understood to be as follows:

Indonesia

It is OneSteel's understanding that there are two Indonesian producers of RIC that is exported to Australia. The companies are:

(i) PT Ispat Indo
Desa Kedungturi, Taman, Sidoarjo
P O Box 1083
Surabaya, Indonesia 60010
Tel: (62) 31 – 7887000
Fax: (62) 31 – 7887500
Email: ispatindo@mittalsteel.com

PT Ispat Indo was established in 1976 and was set up as a 60,000 tonnes per annum rolling facility. PT Ispat now has a production capacity of approximately 700,000 tonnes per annum. The company produces low and high carbon grades of billets, wire rods and bars and uses 65% scrap and 35% DRI/Pig Iron[3].

(ii) PT Gunung Raja Paksi
JI. Imam Bonjol 4, Wr, Bogkok, Ds. Sukadanau,
Cikarang Barat, Bekasi 17520
West Java, Indonesia
Tel: (62) 21 8900222
Fax: (62) 21 89108030
Email: agus.esc@grdsteel.com

Taiwan

OneSteel understands that there are a number of Taiwanese producers of RIC that are potential exporters to Australia. These companies include

(i) Chuan Chung Steel Enterprise Co., Ltd.
No.313 Chung Shan Rd. Chu Hsiang Kao Hsiung Hsien
Taiwan, ROC

[3] For further details, refer to www.ispatindo.com

(ii) Yieh Corp
296, Yu Liao Rd.
Chiao Tou Hsian, Kaohsiung Hsien, 82445
Taiwan
Tel: 886-7-6151000
Fax 886-7-6151025

Turkey

OneSteel understands that the producer/exporter of RIC to Australia is:

Habas Sinai ve Tibbi Gazlar Istihsal Endustrisi, A.S.
Fuat Pasa Sokakl, No. 26
34880 Soganlik, Kartal-Istanbul, Turkey
Tel: (90) 216 377 5004/452 5600
Fax: (90) 216 452 5597
Website: www.habas.com.tr

- **exporters to Australia; and**

  The above nominated producers are also understood to be the exporters of RIC to Australia (with the exception of CSC, where it is not clear).

- **importers in Australia.**

  The following companies are understood to be importers of RIC into Australia:

  - CMC (Australia) Pty Ltd
    Level 6, 697 Burke road
    Camberwell Victoria 3124
    Tel: (03) 9805 0400
    Fax: (03) 9805 0455

  - Croft Steel Pty Ltd
    Unit 1/26 Newheath Drive
    Arundel Qld 4214
    Tel: (07) 5500 0260

  - ThyssenKrupp Mannex Pty. Ltd.
    Level 4, Tower B
    799 Pacific Highway
    Chatswood NSW 20607
    Tel: (02) 8424 2000
    Fax: (02) 8424 2099

  - Stemcor Australia Pty Ltd
    Level 13/15 Blue Street
    North Sydney NSW 2059
    Tel: (02) 9458 8528
    Fax: (02) 9925 0844

  - GP Marketing International
    Level 4 / 177 Pacific Highway
    North Sydney NSW 2060
    Tel: (02) 9925 0755
    Fax: (02) 9925 0909

  - Sanwa Pty Ltd
    201/100 New South Head Road
    Edgecliff NSW 2027
    Tel: (02) 9362 4088

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.

Australian Bureau of Statistics ("ABS") import data for RIC is the subject of country suppression orders and is not available for the purposes of identifying imports from Indonesia, Turkey or Taiwan.

OneSteel has obtained export data from [*company*] – a recognized international supplier of trade statistics - and has been able to identify export volumes to Australia from Indonesia, Turkey and Taiwan. OneSteel has estimated the month of export from [*company*] date should be reflected in the following month's import date, for the purposes of establishing import volumes and applicable dumping margins (i.e. a month of export for December would appear in January imports into Australia).

The following Table identifies import volumes of RIC (metric tonnes) into Australia for the period January 2010 to December 2013.

Table B-1.5 – RIC Import Volumes (metric tonnes) into Australia

Source Country	**2010**	**2011**	**2012**	**2013**	**% of total imports in 2013**
Indonesia	6391	28877	26140	41921	44.8%
Taiwan	65	0	3031	5132	5.5%
Turkey	0	0	5644	12472	13.3%
New Zealand	56976	55508	48107	33292	35.6%
Other	4883	7602	8289	731	0.8%
Total	**68315**	**97159**	**91211**	**93548**	**100%**

Notes:

1. Years are calendar years;
2. Data sourced from [*company*];
3. New Zealand data is not published by [*company*] due to suppression orders applicable to exports of RIC by the Government of New Zealand. OneSteel has sourced annual import data for RIC from the Australian Bureau of Statistics and calculated quarterly import volumes and CIF values (no FOB values available) over the period 2010 to 2013 (See ABS annual extract data at Confidential Attachment B-1.5). Calendar Year 2011 has been adjusted to account for the misclassification of DeBar coil incorrectly included in the classification for like goods.

Imports of RIC from Indonesia, Taiwan and Turkey have increased from approximately 9 per cent of total import volumes in 2010 to more than 60 per cent in 2013. The dramatic increase in import volumes from the nominated countries is counter to the declining import volumes from New Zealand and other remaining import sources for RIC.

As evidenced by Table B-1.5 above, the import volumes from each of Indonesia, Taiwan and Turkey in 2013 exceeded the 3 per cent negligible import volume threshold.

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.

This application does not include a request for countervailing measures, hence this question is not applicable.

B-2 Export price

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.

OneSteel has obtained Free On Board ("FOB") export prices for the goods exported to Australia from Indonesia, Taiwan and Turkey for 2013 from [*company*]. The published export prices for RIC are for all grades. The published data does not distinguish between grades for RIC.

The FOB export prices are published on a monthly basis. As indicated in Table B-1.5 above, the month of import of the goods into Australia is a published export volume and price for the preceding month as recorded by [*company*] (i.e. a one month delay has been adopted).

The monthly import volumes and FOB export price are identified in Table B-2.1 below.

Table B-2.1 – Monthly import volumes and US$FOB export prices

(i) Indonesia

Month	Quantity (Metric Tonnes)	FOB price US$/MT
January 2013	4385	638
February 2013	1071	672
March 2013	0	-
April 2013	5447	665
May 2013	2950	666
June 2013	5019	652
July 2013	1778	628
August 2013	4096	631
September 2013	5754	629
October 2013	5129	628
November 2013	3146	628
December 2013	3146	628

Notes:

1. Source: [*company*];
2. November and December 2013 export data not available from [*company*] at date of lodgement. The Applicant has obtained annual import volumes (only) from ABS for 2013 and has derived volumes for both months. The October 2013 [*company*] export price value has been used for November and December 2013.

(ii) Taiwan

Month	Quantity (Metric Tonnes)	FOB price US$/MT
January 2013	1114	637
February 2013	0	-
March 2013	0	-
April 2013	202	673
May 2013	1021	639
June 2013	1028	615
July 2013	610	599
August 2013	216	592
September 2013	0	-
October 2013	0	-
November 2013	941	606
December 2013	0	-

Notes:

1. Source: [*company*];
2. It has been assumed that there were no imports in December 2013 as data was not available from [*company*] at time of application lodgement.

(iii) Turkey

Month	Quantity (Metric Tonnes)	FOB price US$/MT
January 2013	0	-
February 2013	0	-
March 2013	0	-
April 2013	1943	608
May 2013	2588	600
June 2013	2782	598
July 2013	1235	577
August 2013	931	577
September 2013	1507	582
October 2013	0	-
November 2013	695	571
December 2013	791	580

Notes:

1. Source: [*company*]

The [*company*] export volume and price information has been provided with this application. Please refer to Confidential Attachment B-2.1.

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

The published export prices for RIC exported from Indonesia, Taiwan and Turkey are at the Free-On-Board, country of export point of sale (i.e. at wharf in country of export). OneSteel understands that the FOB export prices obtained from [*company*] will include an amount for export inland freight. Normal values may require an adjustment for the amount of export inland freight, as required.

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. <u>Appendix B1</u> (Deductive Export Price) can be used to assist your estimation.

The [*company*] export prices for Indonesia, Taiwan and Turkey are considered adequate for the purposes of determining dumping margins for RIC exported from the nominated countries. The published export prices appear to reflect the competitive import offers for RIC sold by importers/agents in Australia.

OneSteel does not have access to any information that suggests the [*company*] published export prices are unreliable.

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 Confidential Attachment B-2.1 for all export data information for RIC exported from Indonesia, Taiwan and Turkey.

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.

OneSteel has obtained domestic selling prices for RIC sold in each of the exporting countries the subject of this application (Indonesia, Taiwan and Turkey). The domestic selling price information has been sourced from reputable Steel Industry publications – [*company*] (for Taiwan), [*company*] (Turkey), and [*company*] (a company associated with [*company*]) and [*company*] (Indonesia).

<u>Indonesia</u>

Domestic selling prices sourced from [*company*] for RIC (also known in the industry as wire rod) sold in Indonesia on a monthly basis during 2013 are listed below. The RIC domestic selling prices are at the delivered into store (i.e. FIS) level.

Month	Domestic Price Rupiah per kg	Price (US$ per tonne)
January 2013	7,600-7,625	795
February 2013	7,600-7,625	806
March 2013	7,600-7,625	822
April 2013	7,550	770
May 2013	7,300	747
June 2013	7,100-7,200	726
July 2013	7,100-7,200	718
August 2013	7,100-7,200	667
September 2013	7,800-8,000	709
October 2013	8,100-8,200	709
November 2013	8,100-8,200	n/a

Please refer to Confidential Attachment B-3.1 for copies of [*company*] information concerning monthly domestic selling prices for RIC during 2013.

<u>Taiwan</u>

Domestic selling prices for RIC (i.e. wire rod) sold in Taiwan are published on a monthly basis in the [*company*] publication. OneSteel has utilized the monthly mid-point of the price range for the same month in which the [*company*] data has been sourced (i.e. the domestic selling price and the published export price are used for the same month).

Domestic selling prices for RIC in Taiwan dollars during 2013 were as follows:

Month	Price (NT$ per kg)	ROE	US$/MT
January 2013	19.3	29.04	664
February 2013	20.0	29.58	676
March 2013	20.5	29.65	691
April 2013	21.0	29.93	702
May 2013	20.0	29.46	679
June 2013	19.5	29.95	651
July 2013	18.8	29.97	627
August 2013	18.8	29.97	627
September 2013	18.8	29.92	628
October 2013	19.3	29.57	653
November 2013	19.5	29.39	664
December 2013	19.0	29.61	642

Please refer to Confidential Attachment B-3.1 for extracts from Monthly [*company*] newsletters and a spreadsheet of monthly prices during 2013. OneSteel has compared normal values and export price in same month as published.

Turkey

OneSteel has obtained monthly domestic selling prices for RIC during 2013 from [*company*] on a delivered basis. Domestic selling are listed below.

Month	Price (US$ per tonne)
January 2013	643
February 2013	642
March 2013	643
April 2013	620
May 2013	617
June 2013	595
July 2013	595
August 2013	611
September 2013	611
October 2013	611
November 2013	611

Please refer to Confidential Attachment B-3.1 for copies of [*company*] extracts supporting the above Turkish domestic pricing information.

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

RIC domestic prices in Indonesia are on a delivered into store basis, whereas selling prices in Turkey and Taiwan are on an ex-factory basis.

3. Provide supporting documentary evidence.

Please refer to Confidential Attachment B-3.1 for supporting documentation for prima facie normal values in Indonesia, Taiwan and Turkey.

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

OneSteel understands that Krakatau Steel is also a seller of RIC on the Indonesian domestic market. Contact details for Krakatau Steel are as follows:

(i) Krakatau Steel, PT
Krakatau Steel Building
5th Floor, Jl. Jend. Gatot Subroto
Kav. 54, Jakarta Selatan,
12950,Indonesia
Tel: +66 21 5221255
Fax: +66 21 5200876
Web: http://www.krakatausteel.com

OneSteel understands that Shang Hsing Steel Industries Co., Ltd of Taiwan is also a producer of RIC in Taiwan and would likely sell on the domestic market. Contact details are as follows:

(i) Shang Hsing Steel Industries Co., Ltd
No. 418, Seng Gee Rd
Seng Gee Tsun
Hsin Yuan Hsiang,
Ping Tung Hsien 932
Taiwan (R.O.C.) 93246
Tel: 886 8 868 5185
Fax: 886 8 868 5186

OneSteel understands there are numerous producers of RIC including Icdas (see below) in Turkey that would likely sell on the domestic market. Contact details are as follows:

(i) Icdas Steel Company
Gunesli District Devekaldirimi Street
No. 21 34212 Bagcilan Istanbul
Turkey
Tel: 0 212 604 0404
Fax: 0 212 651 9789

B-4 Estimate of normal value using another method.

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).

OneSteel has relied upon domestic selling price information sourced from reputable industry newsletters as the basis for prima facie normal values. This question is therefore not applicable.

2. Provide supporting documentary evidence.

This question is not applicable.

B-5 Adjustments.

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

The monthly export prices sourced from [*company*] are at the FOB, port of export, point in each of the countries Indonesia, Taiwan and Turkey. The domestic selling prices for Taiwan and Turkey are understood to be at the ex-factory level and do not include local freight charges. The *prima facie* normal values for each Taiwanese and Turkish exporter will require adjustment to account for the absence of freight in the domestic selling price that is included in export prices for goods exported to Australia.

A further adjustment is required for the cost of containerization for goods exported to Australia.

OneSteel has also made an upward adjustment to the *prima facie* normal values of an amount of US$xx per metric tonne for export inland freight and a further US$xx per metric tonne for the cost of containerization (that is not incurred on domestic sales). Please refer to Confidential Attachment B-5.1 for supporting information concerning containerization costs.

For goods exported from Indonesia the domestic selling prices include domestic freight (i.e. selling prices are FIS). Adjustments to normal values for Indonesian exporters will be required for domestic freight, inland export freight, and containerization expenses. For the purposes of this application, it is assumed for normal value assessments that the domestic freight and the export inland freight in each of Indonesia cancel each other out.

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

Please refer to OneSteel's comments at Section B-5.1.

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).

The dumping margins for RIC exported from Indonesia, Taiwan and Turkey are detailed below.

Table B-6.1.1 – Dumping Margins for Rod in Coil exported from Indonesia to Australia

Month	Normal Value US$/MT	Export Price US$/MT	Dumping Margin US$/MT	Margin as % of Export price
January 2013	795	638	157	24.6%
February 2013	806	672	134	19.9%
March 2013	822	-	-	-
April 2013	790	665	125	18.8%
May 2013	770	666	104	15.6%
June 2013	747	652	95	14.6%
July 2013	726	628	98	15.6%
August 2013	718	631	87	13.8%
September 2013	667	629	38	6.0%
October 2013	709	628	81	12.9%
November 2013	709	628	81	12.9%
December 2013	709	628	81	12.9%

Please refer to Confidential Attachment B-1.5 for details of dumping margin calculations (including weighted average margins).

Table B-6.1.2 – Dumping Margins for Rod in Coil exported from Taiwan to Australia

Month	Normal Value US$/MT	Export Price US$/MT	Dumping Margin US$/MT	Margin as % of Export price
January 2013	694	637	57	8.9%
February 2013	706	-	-	-
March 2013	721	-	-	-
April 2013	732	673	59	8.8%
May 2013	709	639	70	11.0%
June 2013	681	615	66	10.7%
July 2013	657	599	58	9.7%
August 2013	657	592	65	11.0%
September 2013	658	-	-	-
October 2013	683	-	-	-
November 2013	694	606	88	14.5%
December 2013	672	-	-	-

Please refer to Confidential Attachment B-1.5 for details of dumping margin calculations (including weighted average margins). Taiwan normal values and FOB export values are for previous month (i.e. January 2013 represents domestic selling prices in Taiwan in December 2012 and exports from Taiwan in December 2012).

Table B-6.1.3 – Dumping Margins for Rod in Coil exported from Turkey to Australia

Month	Normal Value US$/MT	Export Price US$/MT	Dumping Margin US$/MT	Margin as % of Export price
January 2013	-	-	-	-
February 2013	-	-	-	-
March 2013	-	-	-	-
April 2013	673	608	65	10.7%
May 2013	650	600	50	8.3%
June 2013	647	598	49	8.2%
July 2013	625	598	27	4.5%
August 2013	625	577	48	8.3%
September 2013	641	577	64	11.1%
October 2013	641	--		-
November 2013	641	571	70	12.3%
December 2013	641	580	61	10.5%

Please refer to Confidential Attachment B-1.5 for details of dumping margin calculations (including weighted average margins). Turkey's normal value aligned with month of export (Export in March 2013 would likely arrive in April/May 2013).

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

The dumping margins as a percentage of export prices for RIC exported from Indonesia, Taiwan and Turkey during 2013 are included at Section B-6.1 above.

Table B-6.2 – Weighted-average dumping margin

The weighted average dumping margin for the 2013 year for each exporting country were as follows:

- Indonesia – 15.0 per cent;
- Taiwan - 10.9 per cent; and
- Turkey - 9.3 per cent.

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.**

    This application does not include an application for countervailing (or subsidy) measures. This question is therefore not applicable to RIC exported from Indonesia, Taiwan and Turkey.

C-2. Threat of material injury

Address this section if the application relies solely on threat of material injury (ie where material injury to an Australian industry is not yet evident).

1. **Identify the change in circumstances that has created a situation where threat of material injury to an Australian industry from dumping/subsidization is foreseeable and imminent, for example by having regard to:**
    1. **the rate of increase of dumped/subsidized imports;**
    2. **changes to the available capacity of the exporter(s);**
    3. **the prices of imports that will have a significant depressing or suppressing effect on domestic prices and lead to further imports;**
    4. **inventories of the product to be investigated; or**
    5. **any other relevant factor(s).**

    OneSteel has demonstrated in this application that it has suffered material injury in the form of lost profit and profitability through price undercutting from exports of RIC from Indonesia, Taiwan and Turkey that have caused OneSteel to reduce selling prices to maintain sales volumes and market share.

    OneSteel therefore considers that anti-dumping measures are required on future exports of RIC from Indonesia, Taiwan and Turkey in order to limit the injurious impact on locally manufactured sales of RIC.

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.**

    This application is not based upon a “threat” of material injury.

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 may 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.**

    Rod in Coil is not a processed agricultural good.

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

    This question is not applicable to goods the subject of this application.

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

This question is not applicable to goods the subject of this application.

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.**

This question is not applicable to goods the subject of this application.

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.

The countries nominated as exporting countries in this application are not considered 'non-market economy' countries under Australia's Anti-Dumping provisions.

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

This question is not applicable.

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

This question is 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.

This question is 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 countries nominated as exporting countries in this application are not considered "economies-in-transition" countries under Australia's Anti-Dumping provisions.

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.

This question is not applicable.

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.

This question is not applicable.

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

This question is not applicable.

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%
Total				

The goods exported from each of the nominated countries (Indonesia, Taiwan and Turkey) the subject of this application exceed more than the negligible volume requirements under Australia's Anti-Dumping provisions (i.e. greater than 3 per cent of total imports for dumped imports).

APPENDICES

Appendix A1	Australian Production
Appendix A2	Australian Market
Appendix A3	Sales Turnover
Appendix A4	Domestic Sales
Appendix A5	Sales of Other Production (*Not Applicable*)
Appendix A6.1	Cost to Make and Sell (& profit) Domestic Sales
Appendix A6.2	Cost to Make and Sell (& profit) Export Sales
Appendix A7	Other Injury Factors
Appendix A8	Authority to Deal With Representative

CUSTOMS TARIFF
SCHEDULE 3

A 3.2

Section 15
Chapter 72/14

Reference Number	Statistical Code/Unit		Goods	Rate #
7213			BARS AND RODS, HOT-ROLLED, IN IRREGULARLY WOUND COILS, OF IRON OR NON-ALLOY STEEL:	
7213.10.00	42	t	- Containing indentations, ribs, grooves or other deformations produced during the rolling process	5% DCS:Free
7213.20.00	43	t	- Other, of free-cutting steel	5% DCS:Free
7213.9			- Other:	
7213.91.00	44	t	- - Of circular cross-section measuring less than 14 mm in diameter	5% DCS:Free
7213.99.00	45	t	- - Other	5% DCS:Free
7214			OTHER BARS AND RODS OF IRON OR NON-ALLOY STEEL, NOT FURTHER WORKED THAN FORGED, HOT-ROLLED, HOT-DRAWN OR HOT-EXTRUDED, BUT INCLUDING THOSE TWISTED AFTER ROLLING:	
7214.10.00	46	t	- Forged	5% DCS:Free
7214.20.00	47	t	- Containing indentations, ribs, grooves or other deformations produced during the rolling process or twisted after rolling	5% DCS:Free
7214.30.00	48	t	- Other, of free-cutting steel	5% DCS:Free
7214.9			- Other:	
7214.91.00	49	t	- - Of rectangular (other than square) cross-section	5% DCS:Free
7214.99.00	50	t	- - Other	5% DCS:Free
7215			OTHER BARS AND RODS OF IRON OR NON-ALLOY STEEL:	
7215.10			- Of free-cutting steel, not further worked than cold-formed or cold-finished:	
7215.10.10	51	t	- - - "Flattened circles" and "modified rectangles" as defined in Note 1(m) to Chapter 72	5% DCS:Free
7215.10.90	52	t	- - - Other	5% DCS:4% DCT:5%

Unless otherwise indicated NZ, PG, FI, DC, LDC and SG rates are Free.
Unless otherwise indicated general rate applies for CA.
Unless indicated in Schedules 5, 6, 7 or 8 rates for US, Thai, Chilean and AANZ originating goods, respectively, are Free.
DCS denotes the rate for countries and places listed in Part 4 of Schedule 1 to this Act.
DCT denotes the rate for HK, KR, SG and TW.
If no DCT rate shown, DCS rate applies. If no DCT or DCS rate shown, general rate applies.

CUSTOMS TARIFF
SCHEDULE 3

A.3.2

Section 15
Chapter 72/22

Reference Number	Statistical Code/Unit		Goods	Rate #
7227			BARS AND RODS, HOT-ROLLED, IN IRREGULARLY WOUND COILS, OF OTHER ALLOY STEEL:	
7227.10.00	37	t	- Of high speed steel	Free
7227.20			- Of silico-manganese steel:	
7227.20.10	38	t	- - - "Flattened circles" and "modified rectangles" as defined in Note 1(l) to Chapter 72	5% DCS:4% DCT:5%
7227.20.20	39	t	- - - Goods, NSA, as follows: (a) containing less than 0.35% of carbon; (b) containing more than 1.2% of manganese	5% DCS:Free
7227.20.90	40	t	- - - Other	5% DCS:4% DCT:5%
7227.90			- Other:	
7227.90.10	69	t	- - - Goods, as follows: (a) of high alloy steel; (b) "flattened circles" and "modified rectangles" as defined in Note 1(l) to Chapter 72	5% DCS:4% DCT:5%
7227.90.90	42	t	- - - Other	5% DCS:Free
7228			OTHER BARS AND RODS OF OTHER ALLOY STEEL; ANGLES, SHAPES AND SECTIONS, OF OTHER ALLOY STEEL; HOLLOW DRILL BARS AND RODS, OF ALLOY OR NON-ALLOY STEEL:	
7228.10.00	43	t	- Bars and rods, of high speed steel	5% DCS:4% DCT:5%
7228.20			- Bars and rods, of silico-manganese steel:	
7228.20.10	44	t	- - - "Flattened circles" and "modified rectangles" as defined in Note 1(m) to Chapter 72	5% DCS:4% DCT:5%
7228.20.2			- - - Goods, NSA, as follows: (a) containing less than 0.35% of carbon; (b) containing more than 1.2% of manganese:	
7228.20.21	45	t	- - - - Not further worked than cold-formed or cold-finished	5% DCS:4% DCT:5%
7228.20.29	46	t	- - - - Other	5% DCS:Free
7228.20.90	47	t	- - - Other	5% DCS:4% DCT:5%

1/1/12

Unless otherwise indicated NZ, PG, FI, DC, LDC and SG rates are Free.
Unless otherwise indicated general rate applies for CA.
Unless indicated in Schedules 5, 6, 7 or 8 rates for US, Thai, Chilean and AANZ originating goods, respectively, are Free.
DCS denotes the rate for countries and places listed in Part 4 of Schedule 1 to this Act.
DCT denotes the rate for HK, KR, SG and TW.
If no DCT rate shown, DCS rate applies. If no DCT or DCS rate shown, general rate applies.

A 3.3.1.

ezysteel
Making Business Easier

Rod and Bar Steels
Grade Information Sheet

Issue 4, May 2013

WC1008

PLAIN LOW CARBON STEEL

Introduction

A plain low carbon steel with relatively low tensile strength having good drawability and formability characteristics. Machinability is not good and should be avoided for threading and broaching and where a smooth turned finish is required. Machinability is improved with cold drawing. Available in semi-finished rod coils only. Available in 'Commercial' finish.

Typical Application

Mainly used for wire drawing, reinforcing mesh and cold forming applications.

Welding

Can be satisfactorily welded using any electrode type or welding process.
For more information please see WTIA Technical Note No 1. Group Number 1.

Chemical Analysis %

C	P	Mn	Si	S
0.06/0.10	0.030x	0.25/0.50	0.12/0.22	0.030x

x - denotes maximum

Recommended Heat Treatment Temperatures

Treatment	Temperature range °C
Process Annealing	540-730
Annealing	900-930
Normalising	910-950 900-925
Quenching	900-930 Quench medium water or brine
Forging	1300 max

INDICATIVE Tensile Strength

As Rolled

Section Diameter (mm)	UTS (MPa)
5.5	370 - 440
6.5	360 - 430
7.0	360 - 430
8.0	360 - 430
9.0	360 - 430
10.0	360 - 430
11.2	360 - 430
12.5	350 - 420
14.0	340 - 410

Grade Colour Brand	Nil

one

A. 3.3.1

ezysteel
Making Business Easier

Rod and Bar Steels
Grade Information Sheet

Issue 3, September 2007

U1014

PLAIN LOW CARBON STEEL

Introduction

A plain low carbon steel with moderate tensile strength having good drawability and formability characteristics. Machinability is not good and should be avoided for threading and broaching and where a smooth turned finish is required. Machinability is improved with cold drawing. Available in semi-finished coiled rod only in "Commercial" surface finish.

Typical Application

Mainly used for wire drawing, reinforcing mesh and cold forming applications.

Welding

Can be satisfactorily welded using any electrode type or welding process. For more information please see WTIA Technical Note No 1. Group Number 2.

Chemical Analysis %

	Source	
	BOS	EAF
C	0.15/0.20	0.13/0.17
P	0.040x	0.040x
Mn	0.60/0.90	0.30/0.55
Si	0.35x	0.10/0.25
S	0.040x	0.040x
Ni	–	0.20x
Cr	–	0.20x
Mo	–	0.10x
Cu	–	0.40x
Sn	–	0.10x
N	–	0.012x

x - denotes maximum

U1014 is a composite grade and may be sourced from either BOS or EAF steel depending on availability of feed billets but both sources should produce approximately the same mechanical properties in processed bar.

INDICATIVE Tensile Strength

As Rolled

Section Diameter (mm)	UTS (MPa)
5.5	420 - 540
6.5	420 - 540
7.0	410 - 530
8.0	410 - 530
8.5	410 - 530
10.0	400 - 520
11.2	400 - 520
12.5	400 - 520
14.0	400 - 520

Dimensional Tolerances

Diameter (mm)	Maximum Out of Round (mm)
+/- 0.40	0.60

Coil Dimensions

Inside Diameter	850mm min
Outside Diameter	1250mm max.
Length	Approx. 1200mm
Coiling Direction	Clockwise
Nominal Mass	1.5t

Grade Colour Brand	Nil

one
market mills