



ANTI-DUMPING NOTICE NO. 2015/95

Rod in Coils

Exported from the People's Republic of China

Initiation of an Investigation into Alleged Dumping

Customs Act 1901 – Part XVB

I, Dale Seymour, Commissioner of the Anti-Dumping Commission (Commissioner) have initiated an investigation following an application lodged by OneSteel Manufacturing Pty Ltd, a manufacturer of rod in coils (“the goods”) in Australia. The application seeks the publication of a dumping duty notice in respect of rod in coils exported to Australia from the People's Republic of China (China).

The application alleges that the goods have been exported to Australia at prices less than their normal value and that the dumping has caused material injury to the Australian industry through:

- Price depression;
- Price suppression;
- Lost market share;
- Lost sales volume;
- Loss of profits;
- Loss of profitability;
- Loss of revenue;
- Loss of employment and wages; and
- Loss of assets employed in the production of like goods.

The non-confidential version of the application, which contains the basis of the alleged dumping, is available on the public record.

A notice under subsection 269TC(4) of the *Customs Act 1901* (the Act) advising initiation of this investigation was published in *The Australian* newspaper on 12 August 2015.

The Goods

The goods the subject of the application are:

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

The goods covered by the 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 hot-rolled deformed steel reinforcing bar in coil form, commonly identified as rebar or debar, and stainless steel in coils.

The goods are typically classified to the 7213.91.00 (statistical code 44) and 7227.90.90 (statistical code 42) (as of 1 January 2015, statistical code 02) tariff subheadings in Schedule 3 to the *Customs Tariff Act 1995*.

The general rate of duty is currently 5%. However, China is a designated DCS country under Schedule 1 Part 4 of the *Customs Tariff Act 1995*.¹ Therefore for the goods imported from China, the duty rate is free.

Investigation Process

The investigation period is 1 July 2014 to 30 June 2015. The Anti-Dumping Commission (the Commission) will examine exports to Australia of the goods during that period to determine whether dumping has occurred. The Commission will examine details of the Australian market from 1 July 2011 for injury analysis purposes.

Where the Parliamentary Secretary to the Minister for Industry and Science (the Parliamentary Secretary) is satisfied, as to goods of any kind, that:

- (a) the amount of the export price of the goods that have already been exported to Australia is less than the normal value of those goods, and the amount of the export price of like goods that may be exported to Australia in the future may be less than the normal value of the goods; and
- (b) because of that, material injury to an Australian industry producing like goods has been or is being caused or is threatened, or the establishment of an Australian industry producing like goods has been or may be materially hindered;

the Parliamentary Secretary may, by public notice, impose interim dumping duties.

Where there are grounds for the Parliamentary Secretary to publish a dumping duty notice in respect of the goods, the Commission will examine whether the trade in the dumped goods give rise to retrospective notices being published pursuant to section 269TN of the Act, and make recommendations to the Parliamentary Secretary accordingly.

As the application alleges matters relevant to the Parliamentary Secretary's consideration of the lesser duty rule in section 5BAA of the *Customs Tariff (Anti-Dumping) Act 1975*, namely there is a "particular market situation" pursuant to subparagraph 269TAC(2)(a)(ii) of the Act; I will examine these matters and make recommendations to the Parliamentary Secretary as to the proposed level of duty to be applied in any dumping duty notice.

Public Record

I must maintain a public record of each inquiry. Documents included in the public record may be examined at the Commission office by contacting the Case Manager on the details provided below. Alternatively the public record is available at www.adcommission.gov.au

The public record will contain, among other things, a copy of the application, *Anti-Dumping Commission Consideration Report No.301*, and a copy of all submissions from interested parties.

¹ DCS' is a code applied to classes of countries and places in relation to which special rates apply as specified in Part 4 of Schedule 1 of the *Customs Tariff Act 1995*.

Lodgement of Submissions

Interested parties, as defined by subsection 269T(1) of the Act, are invited to lodge submissions concerning the publication of the dumping duty notice sought in the application, no later than the close of business on 21 September 2015, addressed to:

The Director
Operations 1
Anti-Dumping Commission
GPO Box 1632
Melbourne VIC 3001

Or by email operations1@adcommission.gov.au or by fax to +61 3 8539 2499.

Interested parties wishing to participate in the investigation must ensure that submissions are lodged by the due date. Interested parties should note that I am not obliged to have regard to a submission received by the Commission after the date above if to do so would, in my opinion, prevent the timely placement of the statement of essential facts on the public record.

Interested parties may reply to matters raised by other parties during the course of the investigation and in response to the statement of essential facts.

The public record must contain, among other things, a copy of all submissions from interested parties. Letters and electronic mail are generally regarded as submissions if they contain information relevant to the inquiry.

Interested parties claiming that information contained in their submission is confidential, or that the publication of the information would adversely affect their business or commercial interests, must:

- (i) provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests, or
- (ii) satisfy me that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

Submissions containing confidential information must be clearly marked "FOR OFFICIAL USE ONLY".

Interested parties must lodge a non-confidential version or a summary of their submission in accordance with the requirement above (clearly marked "PUBLIC RECORD").

Provisional Measures

A preliminary affirmative determination may be made not earlier than 60 days after the date of initiation provided that there appears to be sufficient grounds for the publication of a dumping duty notice. In accordance with section 269TD of the Act, provisional measures, in the form of securities in respect of interim dumping duty that may become

payable on the goods, may be imposed where a preliminary affirmative determination has been made.

Statement of Essential Facts

The dates specified in this notice for lodging submissions must be observed to enable the Commission to report to the Parliamentary Secretary within the legislative timeframe. A statement of essential facts will be placed on the public record by 30 November 2015, or by such later date as the Parliamentary Secretary may allow in accordance with subsection 269ZHI(1)(a) of the Act. The statement will set out the essential facts on which I propose to base a recommendation to the Parliamentary Secretary. That statement will invite interested parties to respond to the issues raised within 20 days of the statement being placed on the public record.

Submissions received in response to the statement of essential facts will be taken into account in completing the report and recommendation to the Parliamentary Secretary.

Report to the Parliamentary Secretary

A recommendation to the Parliamentary Secretary will be made in a report on or before 14 January 2016 (or such later date as the Parliamentary Secretary may allow), unless I terminate the investigation.

The Parliamentary Secretary must make a declaration within 30 days after receiving the report, or due to special circumstances, such longer period as the Parliamentary Secretary considers appropriate.

Anti-Dumping Review Panel

Certain parties will have the right to seek review with the Anti-Dumping Review Panel in accordance with Division 9 of Part XVB of the Act of either a decision by the Commissioner to terminate the investigation, or a decision of the Parliamentary Secretary after considering the Commission's report.

Anti-Dumping Commission Contact

Enquiries about this notice may be directed to the case manager on telephone number +61 2 6213 7119, fax to +61 3 8539 2499 or email to operations1@adcommission.gov.au.

Dale Seymour
Commissioner
Anti-Dumping Commission

12 August 2015