

5th December 2017

The Commissioner
Anti-Dumping Commission
55 Collins Street
MELBOURNE VIC 3000

By email: clientsupport@adcommission.gov.au

NON-CONFIDENTIAL

Dear Commissioner,

Application seeking an exemption from anti-dumping duties

We would like to request an exemption from anti-dumping duties which have been imposed on exports of certain Hollow Structural Sections into Australia from Malaysia.

Details of applicant

J G Thomas Pty Ltd

5 Durham Road, Bayswater, WA 6053

P.O. Box 147, Bayswater, WA 6933

Contact person

Bill Mummert

Director

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Applicant's interest as an affected party

JG Thomas is an importer of steel conduit which is classified as CHS ERW (pre-galvanised and hot dipped galvanised) type of HSS. We import steel conduit with specifications as required by Australian Standard AS/NZS 61386.21 which is the standard for Conduit Systems for cable management - Particular requirements-Rigid conduit systems. We are supplier of electrical products to the electrical industry and steel conduit is a part of our product range.

The AS/NZS 61386.21 standard specifies the required dimensions required for metallic conduit. A copy of that standard is attached. Please see pages 9-13, sections 8.203-9.201 to read the specification of the conduit that we import. Steel conduit for electrical purposes that meets the Australian Standard is not manufactured in Australia. The conduit has to be clearly marked with the Australian standard.

There is currently another Australian Standard for steel conduit and that is AS/NZS 2053.7. This is the older standard and is running concurrently with AS/NZS 61386.21. AS/NZS 2053.7 will be phased out in the future.

Details of other parties likely to have an interest in this exemption application

1. Omega: 11-23 Licola Crescent, Dandenong South, VIC 3175.
Omega are an importer of steel conduit for electrical purposes along with other products for the electrical industry.
2. BES Electrical Supplies, 3/42 Kurrajong Ave, Mount Druitt NSW 2770. BES are an importer of steel conduit for electrical purposes along with other products for the electrical industry.

Grounds on which the exemption is being sought

Exemption One – Like or directly competitive goods are not offered for sale in Australia to all purchasers on equal terms under like conditions having regard to the custom and usage of trade

Evidence that all known Australian producers have been contacted

See Annexure A

Details of anti-dumping and countervailing measures applying to HSS

Hollow structural sections (HSS) exported to Australia from the People's Republic of China, the Republic of Korea, Malaysia and Taiwan are currently subject to anti-dumping and/or countervailing duties.

The description of goods subject to measures are:

Certain electric resistance welded pipe and tube made of carbon steel, comprising circular and non-circular hollow sections. Normally referred to as either CHS (circular or oval hollow sections) or RHS (rectangular or square hollow sections) collectively referred to as hollow structural sections (HSS).

Finish Types

- Galvanised (including in-line galvanised (ILG), pre-galvanised or hot-dipped galvanised (HDG)); or
- Non-galvanised (including, but not restricted to, painted, black, lacquered or oiled finishes).

Sizes

- Circular products – outside diameter exceeding 21 mm up to and including 165.1 mm; or
- Oval, square and rectangular products – perimeter up to and including 1277.3 mm; that may also be categorised according to minimum yield strength, the most common classifications being 250 and 350 mega Pascals (MPa).

The following descriptions are *excluded* from measures, exemption type “GOODS” applies:

- Conveyor tube made for high speed idler rolls on conveyor systems with inner and outer fin protrusions removed by scarfing;

- (not exceeding 0.1 mm on outer surface and 0.25 mm on inner surface), and out of round standards (i.e. ovality) which do not exceed 0.6 mm in order to maintain vibration free rotation and minimum wind noise during operation;
- Precision RHS with a nominal thickness of less than 1.6 mm; and
- Air heater tubes to AS 2556.

Ministerial Exemption Instrument No 1 of 2016

IDD and ICD do not apply to goods subject to Tariff Concession Order (TCO) 1609617 with an effective date of 16 February 2016.

- Tubes, square or rectangular, electric resistance welded, complying with Australian/New Zealand Standard 1163:2009 (AS/NZS 1163:2009), Grade C350L0 OR C450L0, with a perimeter not less than 1,050 mm and having either:
 - silicon content plus 2.5 times the phosphorus content NOT greater than 0.09%;
 - silicon content greater than 0.14% and NOT greater than 0.24%

The goods are classified to the following subheadings in Schedule 3 to the Customs Tariff

Tariff subheading	Statistical code
7306.30.00	31, 32, 33, 34, 35, 36, 37
7306.61.00	21, 22, 25
7306.69.00	10
7306.50.00*	45*
7306.61.00*	90*

On 3 July 2017, anti-dumping measures, in the form of interim dumping duties and interim countervailing duties, were continued on hollow structural sections (HSS) exported from People’s Republic of China, the Republic of Korea, Malaysia and Taiwan.

Detailed statement setting out reasons for seeking an exemption

The steel conduit we currently import is not manufactured in Australia. We have contacted the steel tube manufactures in Australia and they cannot supply the conduit we sell to the electrical sector in Australia. Please see our evidence attached and referred to above. The steel conduit we import has to be manufactured to Australian standards and the conduit has to be marked with that Australian standard. There are some electrical installations that require steel conduit, mostly mining or industrial buildings. This steel conduit would not meet the standards required for any structural purpose. The market for steel conduit for electrical purposes is very small relative to other HSS products. Our total imports of steel conduit would be less than XXXXXX per year. If an exemption for steel conduit for electrical purposes was granted, there would be no impact on Australian manufacturers.

Steel conduit currently fits under the Dumping Commodity Register’s description of goods as it is in simple terms a round steel tube. Steel tube manufactured to Australian standards as required for some electrical installations is referred to as rigid conduit. The Dumping Commodity Register does not list “conduit” in the description and steel conduit is what we import. Please consider adding to your list of “excluded” goods, steel conduit with the following description.

Description of Goods Seeking Exemption:

Circular hollow steel conduit pipe, that has been manufactured through an electric resistance welding process, in pre-galvanised or hot dipped galvanised finish, and meeting specifications required by Australian Standard AS/NZS 61386.21. Wall thickness ranging from 1.6mm to 3.0mm, with a length of 3 to 4 metres, Outside Diameters of 25mm, 32mm, 40mm, 50mm and 63mm, both ends threaded to AS/NZS 61386.21 clause 8.203.3 and supplied with coupling on one end. The conduit to be marked with Standard and Size.

The Tariff classification of the goods we are seeking exemption for is 7306.30.00. The Statistical Code is 31 for sizes with outside diameters of 25mm, 32mm 40mm and 50mm. The Statistical Code is 34 for the size with outside diameter of 63mm.

If you have any questions regarding this application please do not hesitate to contact me.

Yours sincerely

Bill Mummert

Director