



Anti-Dumping Notice No. 2016/14

Customs Act 1901 – Part XVB

Public notice under subsection 269TC(4) of the *Customs Act 1901*

Rod in coils

Exported from the People's Republic of China

Initiation of an investigation into alleged subsidisation

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission, 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 countervailing 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 were in receipt of countervailable subsidies from China and that the subsidisation has caused material injury to the Australian industry through:

- price depression;
- price suppression;
- price undercutting;
- lost market share;
- lost sales volume;
- loss of revenue;
- loss of profits;
- loss of profitability;
- loss of employment;
- loss of capacity to produce the like goods; and
- loss of assets employed in the production of the like goods.

The non-confidential version of the application and particulars of the reasons for the decision to initiate this investigation contained in the *Anti-Dumping Commission Consideration Report number 331 (CON 331)*, have been placed on the public record.

The date of initiation of this investigation is the date of publication of this notice.

The Goods

The goods the subject of the application are:

Rods in coils, 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 currently classified to the following tariff subheadings in Schedule 3 to the *Customs Tariff Act 1995*.

- Tariff subheading 7213.91.00 with statistical code 44; and
- Tariff subheading 7227.90.90 with statistical code 02.

Investigation Process

The investigation period is 1 July 2014 to 30 June 2015. I will examine whether the goods exported to Australia during this period were in receipt of a subsidy. I will examine details of the Australian market from 1 July 2011 for injury analysis purposes.

Where the Assistant Minister for Science and Parliamentary Secretary to the Minister for Industry, Innovation and Science (the Parliamentary Secretary)¹ is satisfied, as to goods of any kind, that:

- (a) a countervailable subsidy has been received in respect of the goods that have been exported to Australia, and (if applicable) may be received in respect of like goods that may be exported to Australia in the future; 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 countervailing duties².

Where there are grounds for the Parliamentary Secretary to publish a countervailing duty notice in respect of the goods, I will examine whether the trade in the subsidised goods give rise to retrospective notices being published pursuant to section 269TN of the *Customs Act 1901*(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, I will examine these matters and make recommendations to the Parliamentary Secretary as to the proposed level of duty to be applied in any countervailing duty notice.

Public Record

I must maintain a public record of each investigation. Documents included in the public record are available at www.adcommission.gov.au or alternatively can be examined at the Commission's office by contacting the case manager on the details provided below.

The public record will contain, among other things, a copy of the application, *Anti-Dumping Commission Consideration Report Number 331* and copies of all non-confidential submissions from interested parties. Letters and electronic mail are generally regarded as submissions if they contain information relevant to the investigation.

Lodgement of Submissions

Interested parties, as defined by subsection 269T(1) of the Act, are invited to lodge submissions concerning the publication of the countervailing duty notice sought in the application, no later than the close of business on 28 March 2016, addressed to:

¹ On 20 September 2015, the Prime Minister appointed the Parliamentary Secretary to the Minister for Industry, Innovation and Science as the Assistant Minister for Science.

² In accordance with section 269TJ of the Customs Act 1901.

The Director
Operations 5
Level 10 Industry House
10 Binara Street
Canberra ACT 2600
Australia

Or by email to operations5@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 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 should also note that I have been directed to consider the matters set out in the *Customs (Extensions of Time and Non-cooperation) Direction 2015* in certain circumstances. This is available at www.comlaw.gov.au.

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.

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

Pursuant to section 269TD of the Act, I will make a Preliminary Affirmative Determination (PAD) 60 days after the initiation of the investigation, provided I am satisfied that there appears to be sufficient grounds for the publication of a countervailing duty notice or that it appears that there will be sufficient grounds for the publication of such a notice subsequent to the importation of the goods into Australia. In accordance with section 269TD of the Act, I may apply provisional measures, including the taking of securities under section 42 of the Act, in respect of interim countervailing duty that may become payable on the goods, where a PAD has been made.

Where a PAD is not made 60 days after initiation of the investigation, the *Customs (Preliminary Affirmative Determinations) Direction 2015* (the PAD Direction) directs me to publish a status report providing reasons why a PAD was not made. The PAD Direction is available on the Comlaw website, www.comlaw.gov.au.

Statement of Essential Facts

The dates specified in this notice for lodging submissions must be observed to enable me to report to the Parliamentary Secretary within the legislative timeframe. In accordance with section 269TDAA of the Act, a statement of essential facts will be placed on the public record by 6 June 2016, or by such later date as the Parliamentary Secretary may allow in accordance with section 269ZHI of the Act. The statement will set out the essential facts on which I propose to base my recommendations to the Parliamentary Secretary. Interested parties are invited to lodge submissions in response to the statement within 20 days of the statement being placed on the public record.

Submissions received in response to the statement of essential facts within 20 days of that statement being placed on the public record 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 21 July 2016 (or such later date as the Parliamentary Secretary may allow under section 269ZHI), on the basis of the examination of exportations of the goods to Australia during the investigation period, unless I terminate the investigation.

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

Anti-Dumping Review Panel

Certain persons 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 me to terminate the investigation, or a decision of the Parliamentary Secretary to publish or not to publish a countervailing duty notice after considering my report.

Anti-Dumping Commission Contact

Enquiries about this notice may be directed to the case manager on telephone number + 61 2 6276 1462, fax number +61 3 8539 2499 or email at operations5@adcommission.gov.au.



Dale Seymour
Commissioner
Anti-Dumping Commission

17 February 2016