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**Anti-Dumping Notice No. 2015/154**

*Customs Act 1901 – Part XVB*

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

**Hollow structural sections**

**Exported from India and the United Arab Emirates**

**Initiation of an Investigation into alleged dumping**

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission (the Commissioner), have initiated an investigation following an application lodged by Austube Mills Pty Ltd, a manufacturer of hollow structural sections (“the goods”) in Australia. The application seeks the publication of a dumping duty notice in respect of the goods exported to Australia from India and the United Arab Emirates (UAE).

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

- Price depression;
- Price suppression
- Loss of profits;
- Reduced profitability;
- Reduced return on investment;
- Reduced employment;
- Reduced capacity;
- Write-down of goodwill associated with the HSS business;
- Reduced capital expenditure;
- Reduced research and development expenditure;
- Reduced attractiveness to reinvest; and
- Reduced capacity utilisation.

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

Particulars of the reasons for the decision to initiate this investigation are in *Anti-Dumping Commission Consideration Report No.[320* which has 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 subject of the application are hollow structural sections. The applicant provided further details as follows:

*“Certain electric resistance welded pipe and tube made of steel, comprising circular and non-circular hollow sections in galvanised and non-galvanised finishes, whether or not including alloys. The goods are normally referred to as either CHS (circular hollow sections) or RHS (rectangular or square hollow sections). The goods are collectively referred to as HSS (hollow structural sections). Finish types for the goods include pre-galvanised, hot-dipped galvanised (HDG), and non-galvanised HSS.*

*Sizes of the goods are, for circular products, those exceeding 21 mm up to and including 165.1 mm in outside diameter and, for oval, square and rectangular products those with a perimeter up to and including 950.0 mm. CHS with other than plain ends (such as threaded, swaged and shouldered) are also included within the goods coverage.”*

The applicant provided further details as follows:

*The goods covered by this application include all electric resistance welded pipe and tube made of steel meeting the above description of the goods (and exclusions), regardless of whether or not the pipe or tube meets a specific structural standard or is used in structural applications.*

*Goods excluded from this application include:*

- *conveyor tube made for high speed idler rolls on conveyor systems, with inner and outer fin protrusions removed by scarfing (not exceeding 0.1mm on outer surface and 0.25mm on inner surface), and out of round standards (i.e. ovality) which do not exceed 0.6mm 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 (i.e. not used in structural applications); and,*
- *stainless steel CHS and RHS sections.*

The goods are currently classified to the following tariff subheadings in Schedule 3 to the Customs Tariff Act 1995.

- 7306.30.00 (statistical codes 31, 32, 33, 34, 35, 36, 37);
- 7306.50.00 (statistical code 45);
- 7306.61.00 (statistical codes 21, 22, 25, 90);
- 7306.69.00 (statistical code 10); and,
- 7306.90.00 (statistical code 12).

The goods are currently subject to a 4 per cent Customs duty from India and the UAE

## **Investigation Process**

The investigation period is 1 October 2014 to 30 September 2015. The Commission will examine exports of the goods to Australia 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 Assistant Minister for Science and the Parliamentary Secretary to the Minister for Industry, Innovation and Science (the Parliamentary Secretary)<sup>1</sup> 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, I will examine whether the trade in the 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.

## **Public Record**

I must maintain a public record of each investigation. Documents included in the public record are available at [www.adcommission.gov.au](http://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 No.320* and a copy of all 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 a dumping duty notice sought in the application, no later than the close of business on 28 January 2016, addressed to:

The Director  
Operations 3  
GPO Box 1632  
Melbourne Victoria 3001

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<sup>1</sup> 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.

Or by email at [operations3@adcommission.gov.au](mailto:operations3@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, delay a key aspect of the case.

Interested parties should also note that I am now directed to consider the matters set out in the *Customs (Extensions of Time and Non-cooperation) Direction 2015* in anti-dumping investigations in certain circumstances. This is available at [www.comlaw.gov.au](http://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 and the *Customs (Preliminary Affirmative Determinations) Direction 2015* (the PAD Direction), 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 dumping duty notice, or that it appears that there will be sufficient grounds for the publication of a dumping duty 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 dumping 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 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](http://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. A statement of

essential facts will be placed on the public record by 10 April 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 25 May 2016 (or such later date as the Parliamentary Secretary may allow), 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 dumping duty notice 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 3 8539 2418, fax number +61 3 8539 2499 or email at [operations3@adcommission.gov.au](mailto:operations3@adcommission.gov.au).

Dale Seymour  
Commissioner  
Anti-Dumping Commission

22 December 2015