Australian Tube Mills Pty Ltd
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16 November 2016

The Director Operations 2
Anti-Dumping Commission
Level 5, Customs House
5 Constitution Avenue
CANBERRA ACT 2601

Email: operations2@adcomission.gov.au

Dear Sir/Madam

PUBLIC FILE

Anti-Dumping Notice No. 2016/115 – initiation of an accelerated review of anti-dumping measures investigation relating to Thai Premium Pipe Co. Ltd

Introduction

This submission refers to the initiation of Accelerated Review Investigation No. 382 of Thai Premium Pipe Co. Ltd concerning Hollow Structural Sections ("HSS") exported to Australia from Thailand by Thai Premium Pipe Co. Ltd ("TPP") and the importance of the Commission's fair comparison analysis of the like goods as produced by the exporter.

Goods Description

Austube Mills Pty Ltd ("Austube Mills") notes that Anti-Dumping Notice ("ADN") 2016/115 has a different goods description to ADN No. 2015/102 applicable to HSS exported from Thailand (Case No 285). The main difference is the exclusion of the words "whether or not including alloys" and the missing tariff classification to those listed in ADN 2015/102 as follows:

- 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)
- 7306.90.00 (Statistical code 12)

Austube Mills requests the Commission to correct this apparent omission and ensure the correct Goods Description and tariff code is listed in the applicable notices for this investigation.

Other Applications

Austube Mills notes that the United States Department of Commerce rejected a similar New Shipper Request from Thai Premium Pipe Co. Ltd.

> "*As such, we find that Thai Premium Pipe's NSR request does not comply with 19 CFR 351.214(b)(2)(iv)(B) and we are rejecting the NSR request*."[1]

It would appear that Thai Premium Pipe Co. are seeking reviews in multiple jurisdictions. This would appear to be an aggressive export strategy indicative that the company may be willing to forego it's domestic market to focus on export markets.

If this is TPP's strategy, then the company may be tempted to manipulate domestic prices in order to produce a favourable Normal Value. Austube Mills requests that the Commission closely examine TPP's sales of like goods in the normal course of trade in determining a normal value and compare these values to the available data in Duty Assessment DA0072 to ensure the values meet a reasonableness test when compared with other domestic Sales in Thailand.

Exported goods

TPPs application states that TPP did not export during or following the investigation period for Case No 254.

As there are no exports of the like goods during the investigation period there is no capacity for the Commission to formulate an Ascertained Export Price (AEP) in order to calculate interim dumping duties via the *ad valorem* form of measure. Austube Mills therefore requests the Commission to conduct a thorough and informed review of the Ascertained Normal Value (ANV) so that interim dumping duties may be calculated in accordance with the floor price method pursuant to subsection 5(4) of the Customs Tariff (Anti-Dumping) Regulation 2013.

Like good sold on the Domestic Market

In determining appropriate normal values and AEPs for TPP, the Commission must fully establish the range of products manufactured by TPP (i.e. whether production includes black, painted, pre-galvanised and hot dipped galvanised HSS). This will impact the normal values and AEPs to be determined for TPP.

Austube Mills anticipates that the Commission may find sufficient domestic sales of Australian Standard product upon which to base the normal value determinations (as was found with Saha Thai and Pacific Pipe in Case 254). If this is not the case then Austube Mills requests that the Commission conduct a transparent model matching process that allows Austube Mills and other Australian producers the opportunity to inform the Commission of any unfair comparison. Austube reminds the Commission that certain adjustments are required for "Mass tolerance difference" and "specification difference" between Thai Industrial Standard (or no standard commercial product) and Australian Standard product for export. The Mass tolerance difference should be the difference between the allowable mass tolerance of the applicable domestic Standard (which is Thai Industrial Standard TIS 107-2533) compared with Australian Standard (AS/NZS1163) – which is approximately 6%. For specification adjustments the

[1] **United States Department of Commerce DC 3466397-01 A-549-502 NSR - New Shipper Review**

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Commission should perform an analysis based on physical differences such as strength of feed material and chemical composition of feed material and that "the amount of the adjustment shall be based upon the market value of the difference".

Steel Price movements since investigation Period

TPP's application highlights the movement in BlueScope Limited's Hot Rolled Coil pricing in Australia. Austube Mills notes that the imposition of Safe Guard measures on imported Hot Rolled Coil into Thailand has prevented a similar decline in Coil prices in Thailand. Logically this uplift of Thailand domestic Hot Rolled Coil price would have led to increases in the price of downstream goods including HSS. As mentioned above Austube Mills requests that the Commission undertake a reasonableness test in relation to Normal value provided by TPP by comparing with information provided is relation to Duty Assessment DA0072.

If you have any further questions concerning this letter please do not hesitate to contact me on [redacted].

Yours sincerely,

[redacted]

[redacted]