



REVIEW OF ANTI-DUMPING MEASURES

DEEP DRAWN STAINLESS STEEL SINKS EXPORTED TO AUSTRALIA FROM THE PEOPLE'S REPUBLIC OF CHINA

FILE NOTE – NON-INJURIOUS PRICE AND LESSER DUTY RULE

An application for a review of anti-dumping measures in relation to deep drawn stainless steel sinks exported to Australia from the People's Republic of China (China) was initiated by the Anti-Dumping Commission (the Commission) on 16 May 2016. Details of this review (Review 352) can be found on the Commission's website [ADC](#) and electronic public record (EPR) [EPR](#).

In its consideration report (CON 352), the Commission noted that the ascertained non-injurious price (NIP) in the original investigation was determined to be the same as the ascertained normal value, and that the application for this review did not claim a change in this variable factor.

However, the reason the ascertained NIP was determined to be the same as the ascertained normal value is that the Commission's final report in the original investigation (REP 238) found that regard should not be had to the lesser duty rule, and hence the NIP is not in operation in relation to these measures.

Section 11.3 of REP 238 outlined the reasons why regard was not had to the desirability of fixing a lesser rate of duty:

"The Commissioner found that the goods were in receipt of notified countervailable subsidies and the Australian Government's Department of Foreign Affairs and Trade advised the Commission that China failed to comply with its notification obligations under Article 25 of the SCM Agreement.

In light of the above, the Commissioner considers that regard should not be had to the desirability of fixing a lesser rate of duty, and the full margin of the assessed dumping and countervailable subsidisation should be applied to the collection of interim dumping duty and interim countervailing duty that the Commissioner recommends to the Parliamentary Secretary in the final report for this investigation."

In other words, regard was not had to the desirability of fixing a lesser rate of duty (and therefore the full amount of duty applied) on the basis that China had failed to comply with its notification obligations. As outlined in the 2015 World Trade Organization (WTO) Report of the Committee on Subsidies and Countervailing Measures, China has now complied with its notification obligations for the 2011, 2013 and 2015 reporting years (compliance periods).

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As a result, for the purposes of Review 352, the exception to the application of the lesser duty rule which was outlined in REP 238 no longer applies, as China has complied with its notification obligations. Therefore, the Commission proposes to examine and make recommendations on the lesser duty rule and the NIP.

As part of this process the Commission will need to calculate an unsuppressed selling price (USP) and NIP for the deep drawn stainless sinks exported to Australia from China by the exporter the subject of the review. The Commission's policy and practice in relation to the determination of the NIP and USP can be found in Chapter 23 of the Dumping and Subsidy Manual, which is available on the Commission's website.

If you wish to make submissions in relation to this approach, please do so by 7 July 2016, in order to give the Commission sufficient time to consider it as part of the review.

If you have any questions regarding these arrangements, please contact the case manager on 03 8539 2470 or email operations2@adcommission.gov.au or clientsupport@adcommission.gov.au.