

PUBLIC RECORD

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Director
Operations 5
Anti-Dumping Commission
Level 35, 55 Collins Street
MELBOURNE VICTORIA 3000

Email: operations5@adcommission.gov.au

Dear Sir/Madam

Exemption Inquiries 0043 and 0044 – Hollow Structural Sections exported from P R China, Korea, Malaysia and Taiwan

Introduction

The Anti-Dumping Commission has commenced exemption from anti-dumping measures inquiries following applications by ThyssenKrupp Mannex Pty Ltd ("TKM") in respect of certain hollow structural sections ("HSS") exported from P R China, Korea, Malaysia and Taiwan. Austube Mills ('ATM') is a manufacturer of hollow structural sections ("HSS") that are considered 'like goods' to imported HSS.

ATM does not support the exemption from anti-dumping measures the subject of applications by TKM. ATM submits that like goods are available from local manufacture and that any recommendation to permit exemption of the goods from anti-dumping measures would cause material injury to the Australian industry.

TKM's application

TKM has made applications for the exemption from anti-dumping measures on goods the subject of two Tariff Concessions Orders ("TCO's"), namely:

- (1) TC 1332191 Columns and/or beams, hollow or square or rectangular shape, steel, complying with Australian/New Zealand Standard 1163:2009 Grade 450LO (AS/NZS 1163:2009 grade C450LO), having both of the following:
 - (a) silicon content not greater than 0.06%;
 - (b) in either of the following sizes:
 - (i) outside perimeter not less than 950mm;
 - (j) outside perimeter not less than 370mm and thickness not less than 8.1mm.

Operative date: 20.09.13

Decision date: 16.12.13

- (2) TC 1439520 Tubes, square or rectangular, electric resistance welded, complying with Australia/New Zealand Standard 1163:2009 (AS/NZS 1163:2009), Grade C350LO or C450LO, with a perimeter not less than 950mm and having either (a) or (b) as follows:
- (a) silicon content plus 2.5 times the phosphorus content NOT greater than 0.09%;
 - (b) silicon content greater than 0.14% and NOT greater than 0.24%.

Operative date: 26.09.14

Decision date: 14.11.14

TKM has asserted in its applications that the reasons for seeking the exemptions are that the respective TCOs currently exist for the goods *“attesting to the fact that no local manufacturer produces substitutable goods”*.

It is noted that TKM’s application for exemption is dated 31 December 2015.

Revocation of TCOs

As stated, ATM is a manufacturer of HSS. ATM has formally requested the revocation of the two TCOs upon which TKM has based its applications for exemption. ATM’s requests for the revocation of the TCOs were published in Commonwealth of Australia Gazette No TC/16/07 of Wednesday, 24 February 2016 (Attachment 1). The date of effect of the revocation of the TCOs, if approved, is 16 February 2016. ATM further understands that with effect of 9 March 2016, TC 1332191 has been revoked.

Grounds for revocation of TCOs

In seeking the revocation of TC 1332191 and TC 1439520 ATM has submitted that it

“produces in Australia, steel tube sections, that are either black, painted or have a galvanised finished. Austube Mills currently manufactures steel tube sections including 150mmx150mmx9mm that are goods produced in Australia that are put, or are capable of being put, to a use that corresponds with a use (including a design use) to which the goods the subject of the application or of the TCO can be put.

Further, or in the alternative, Austube Mills has also produced within the last 5 years sizes 200mmx200mmx6mm and 250mmx150mmx6mm which are also substitutable in design for the goods covered in this TCO.

Austube Mills are (sic) prepared to accept orders for all of the above goods.”

ATM contends that it currently manufactures steel tube sections that may be substituted in end use applications that imported tubes the subject of the identified TCOs may be used. Additionally, ATM is willing to accept orders for tube that it has manufactured in the last five years (i.e. tube of sizes 200mmx200mmx6mm and 250mmx150mmx6mm that, whilst not identical to the goods the subject of the TCOs, are considered alike and may be substituted by the imported goods the subject of the TCOs.

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ATM reaffirms that it is a local manufacturer of like goods and that the granting of an exemption for the nominated goods will result in the Australian industry (whether ATM or Orrcon Operations Pty Ltd) losing local production and sales opportunities, resulting in injury that the measures were intended to prevent.

ATM seeks to highlight with the Commission that it wrote to the applicant TKM on 18 January 2016 (Attachment 2) confirming that it manufactured goods the subject of TC 1439520 and that it did not support the granting of an exemption from anti-dumping measures for the identified goods.

Summary

ATM does not support the granting of exemptions to anti-dumping measures to goods the subject of TKN's applications as identified in Exemption Inquiries 0043 and 0044. ATM is a manufacturer of substitutable goods that are alike to the imported goods and may be used in applications to which the imported goods may be applied.

In support of its assertions that it does supply goods from local manufacture, ATM has sought the revocation of TCOs (i.e. TC 1332191 and TC 1439520) on the grounds that it manufactures like goods and is willing to accept orders for these goods.

If you have any questions concerning this letter please do not hesitate to contact my colleague Mr Arun Syam on (02) 8424 9834.

Yours sincerely

Brett Willcox
Manager – Operations and Support Services