

18 May 2015

Ms Joanne Reid  
Director - Operations 2  
Anti-Dumping Commission  
Industry House  
10 Binara Street  
CANBERRA ACT 2601

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**Public File Copy**

Dear Ms Reid

**Review of measures inquiry – Hollow structural sections exported from The People's Republic of China by Dalian Steelforce Hi-Tech Co., Ltd**

I refer to Anti-Dumping Notice ("ADN") No 2015/45 notifying the commencement of a review of variable factors investigation into exports of Hollow Structural Sections (HSS) to Australia by Dalian Steelforce Hi-Tech Co., Ltd (Dalian Steelforce).

Orrcon Operations Pty Ltd ("Orrcon") is an Australian manufacturer of the goods the subject of the review. Orrcon is a wholly-owned subsidiary company of BlueScope Steel Limited. Orrcon is an interested party in the review and seeks to provide its views concerning the review of variable factors applicable to Dalian Steelforce.

It is noted in a submission on behalf of Dalian Steelforce dated 30 April 2015 that attempts are made to extend this variable factors review to include an examination of the particular market situation finding and an examination of the basis of the subsidy program for hot rolled coil (HRC) at less than adequate remuneration in China. The Anti-Dumping Commission ("the Commission") has confirmed in ADN No. 2015/45 that the review is limited to the review of variable factors applicable to Dalian Steelforce. Orrcon requests that the Commission restrict the review to the intended examination of the variable factors as indicated in ADN No. 2015/45.

Orrcon is aware that the Commission has recently announced the commencement of an anti-circumvention review investigation into HSS exported from China, Korea and Malaysia (refer Investigation No. 291). It is understood that exports of HSS from China by Dalian Steelforce will be considered by the Commission in this anti-circumvention inquiry. Orrcon recommends to the Commission that the current review investigation of variable factors applicable to HSS exports from China by Dalian Steelforce should take full account of the findings of the anti-circumvention investigation, as normal values and export prices for like goods applicable are relevant to the review inquiry.

Inquiry No. 177 assessed normal values for Chinese HSS producers on the basis of constructed normal values with a market price for HRC substituted for the artificially low Chinese HRC cost component. The Commission will not have access to contemporary HRC prices from cooperative HSS exporters of HSS in Korea, Malaysia and Taiwan as it did in Investigation No. 177. Orrcon can assist the Commission with access to domestic HRC prices in certain countries (including Korea and Taiwan) from reputable industry publications to assist in this regard.

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Orrcon would like to highlight with the Commission the importance of this review of variable factors investigation in respect of HSS exports to Australia by Dalian Steelforce. Dalian Steelforce is the largest exporter of HSS to Australia from China. The company exports HSS to associated companies in Australia, and the importers have well-established marketing and distribution channels into the Australian market.

Orrcon notes that in the two recent reviews of variable factors for Kukje Co., Ltd of Korea and Jiangyin Youfa of China, the Commission did not undertake verification visits at the premises of both exporters. Orrcon requests that the Commission undertake a full on-site verification visit at Dalian Steelforce to ensure the integrity of the review of measures process is maintained and that contemporary data relating to the production of the exported goods (with relevant adjustments for HRC sold at less than adequate remuneration) are substantiated and verified.

If you have any questions concerning this letter and the attached financial information, please do not hesitate to contact Mr Alan Gibbs on (02) 4275 3859 at BlueScope or Orrcon's consultant Mr John O'Connor on (07) 3342 1921.

Yours sincerely



Development Manager-International Trade Affairs

per  
Leon Andrewartha  
Managing Director



we'll see it through

