Australian Government
Anti-Dumping Commission

INVESTIGATION INTO HOT ROLLED STRUCTURAL STEEL SECTIONS EXPORTED TO AUSTRALIA FROM JAPAN, THE REPUBLIC OF KOREA, TAIWAN AND THAILAND

RECORD OF MEETING

ANTI-DUMPING COMMISSION AND ONESTEEL MANUFACTURING PTY LTD

Date: Tuesday, 7 January 2014
Location: 105-123 Doherty's Rd Laverton North, Victoria
Attendees:

OneSteel Manufacturing Pty Ltd	The Anti-Dumping Commission
	Lisa Hind, National Manager
Matt Condon Manager Trade Measures	Adam Yacono, Manager Lydia Cooke, Manager Andrea Stone, Manager
[redacted] Melt Shop Manager	Carl Halpin, Manager Cathy Cole, Supervisor Tim King, Supervisor
[redacted] Superintendent Maintenance elect roll	Cienna Turpie, Supervisor Rebecca Oliver, Supervisor Bora Akdeniz, Supervisor Reuben McGovern, Investigator

Background

OneSteel Manufacturing Pty Ltd (OneSteel) invited the Anti-Dumping Commission (the Commission) to attend its Laverton steel works for a plant overview and tour; and to provide exporter briefings in regard to Siam Yamato Steel Co Ltd (SYS), JFE Bars and Shapes Corporation (JFE) and TS Steel Co Ltd (TS) prior to verification visits being conducted at these companies.

Plant Overview and Tour

OneSteel presented a PowerPoint overview of the Laverton production process, noting that while Laverton does not produce the goods under consideration in the investigation, its production process (using scrap fed into an Electric Arc Furnace) mirrors that of the Asian mills producing the goods under consideration.

OneSteel conducted a tour of the plant for the Commission representatives attending.

Exporter Briefing

OneSteel provided exporter briefing notes prior to the meeting, outlining its main issues of concern.

The following specific issues were discussed:

- OneSteel notes that scrap is a significant cost for Asian mills, and requests that the Commission test the price for scrap sourced from related parties;

- OneSteel requests that the normal value for SYS, JFE and TS be adjusted upward to reflect greater mass tolerances allowed under foreign standards compared to Australian standards;

- OneSteel requests that the normal value for SYS, JFE and TS be adjusted upward where appropriate to reflect the grade differences between product sold domestically in the countries of export and the product exported to Australia;

- OneSteel contended that Asian mills would incur additional rolling costs associated with exports to Australia when compared with products produced for domestic sale and that the normal value should be adjusted upward to reflect these costs. The additional costs noted included the costs of a smaller production runs for product made to Australian standards which include empirical equivalent dimensions, higher grades, tighter mass tolerances and different branding and test certificate requirements and the costs of holding or warehousing stock until next shipment.

The Commission thanked OneSteel for the briefing and tour and advised that the information provided would be considered as part of the investigation.

Recieved
16/01/14

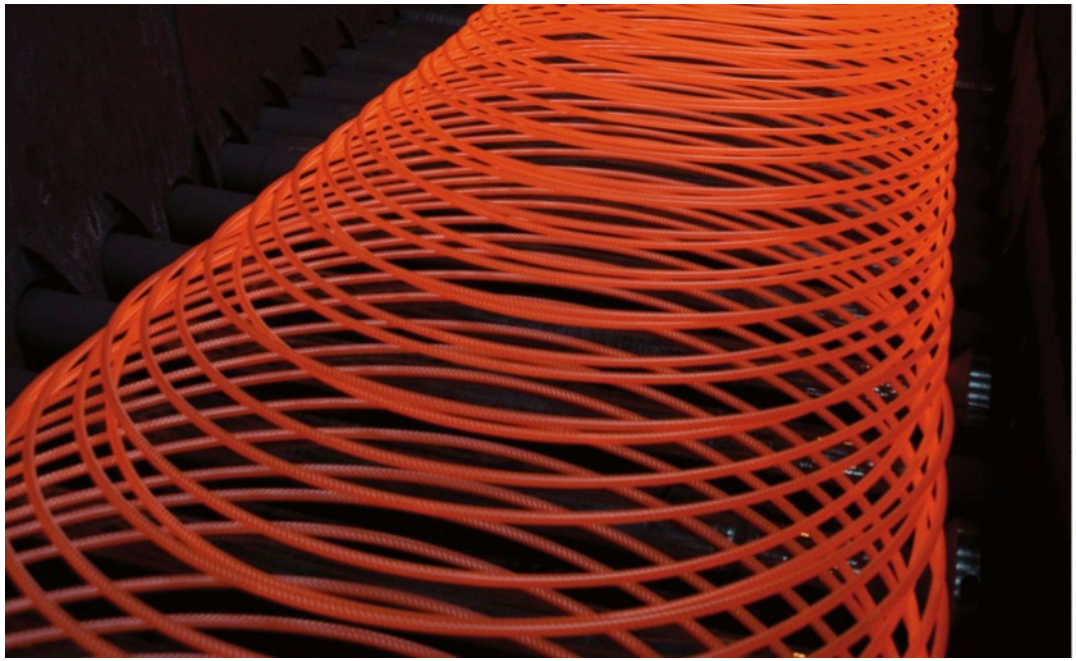
Exporter Briefing

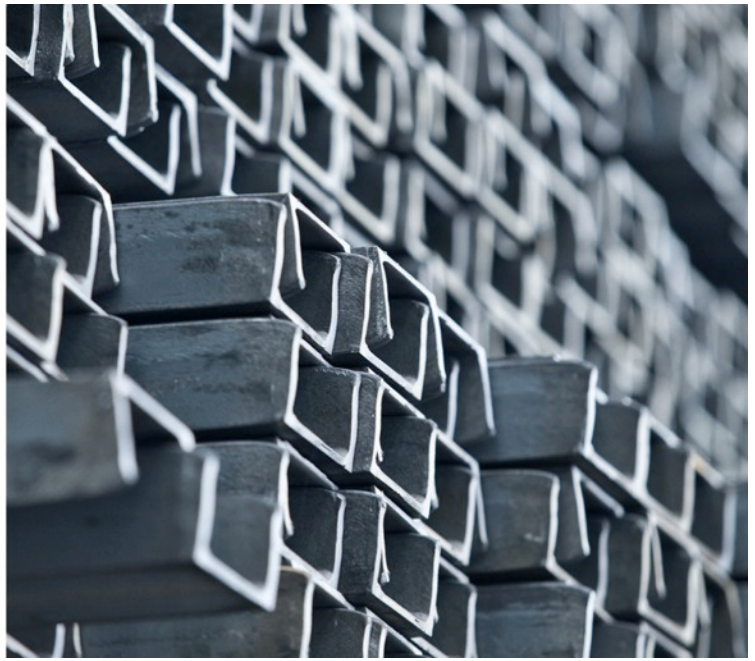
onesteel

Hot Rolled Structural Steel Investigation

Laverton Steel Works Vic

Date: 07 January 2014





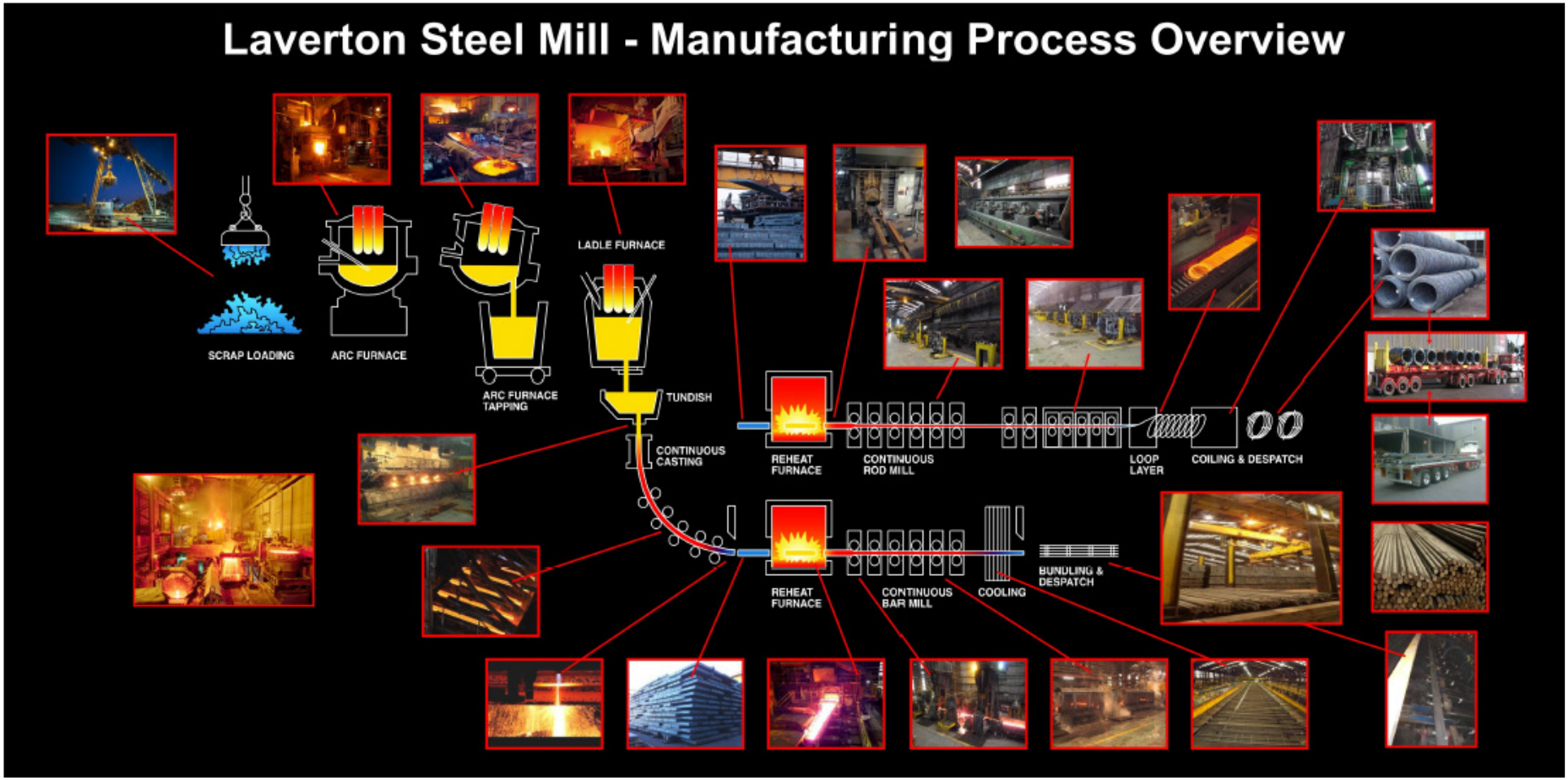
Agenda

onesteel

1. Introduction
2. Safety Induction
3. Overview of the Laverton Steelworks
4. Overview of steel making process
   BOF vs EAF
5. Site Visit Laverton Steel Works
6 Exporters Briefing Notes
   - SYS Thailand
   - JFEBS Japan
   - TS Taiwan

Laverton Steel Works

onesteel

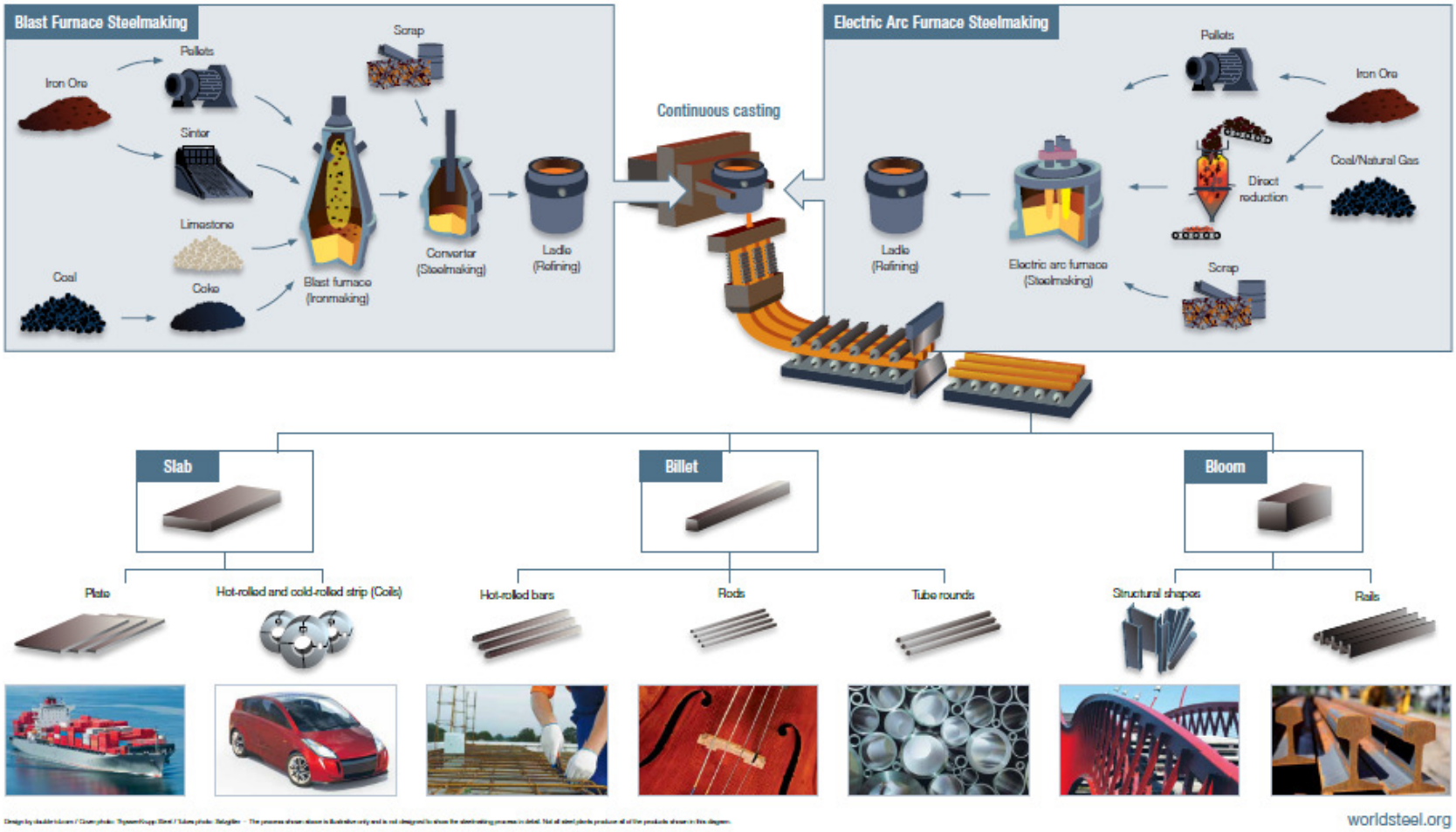


onesteel

worldsteel ASSOCIATION

hments: View file attachments

OVERVIEW OF THE STEELMAKING PROCESS



worldsteel.org

Exporter Briefing Notes

onesteel

Key Points

1. Scrap is a significant cost for Asian HRS producers.

2. Difference in tolerances allowable between the AS/NZS 3679.1 and JIS and TIS domestic standards.
   - Ie -5% for < 10mm and -4% for >10mm vs -2.5%.

3. Difference in grades between AS/NZS grade 300 versus domestic grades
   - similar grade = SM490

4. Smaller production runs to supply product for export to Australia/New Zealand will have a different cost structure to products for local markets.
   - Aust/NZS products are based on empirical equivalent measurements.
   - Higher standard grades required for Australian market – min yield 300MPa
   - Tighter mass tolerances are required for Australian market
   - Different marking, labelling and test certificate requirements exist between domestic and export markets.
   - Separate storage locations required for AS/NZS specific products.

Exporter Briefing Notes

Key Differences between common Asian steel grades and AS/NZS 3679.1 – 2010

- AS/NZS 3679.1 Grade 300 has
  - a minimum yield requirement of 320MPa for thicknesses less than 11mm and 300MPa for product between 11mm to 17mm thick.
  - Maximum tolerances for Carbon, Manganese, Silicon, Phosphorus & Sulphur

- Common Asian grades JIS SS400, SM400, TIS SS400, TIS SM400 have minimum yield strengths below 250 MPa.
  - 250 grade is a redundant grade for HRS in Australia

- SS490 is also below this requirement at 285MPa for thicknesses less than 16mm.
  - Importantly SS490 has no maximum tolerances for either Carbon or Manganese
  - Control over Carbon and Manganese within maximum limits allows welding, required ductility and impact resistance to be achieved.

•An equivalent grade for comparison is SM490
  - minimum yield of 325MPa for thicknesses up to 16mm and 315MPa for product over 16mm.
  - Maximum tolerances for Carbon and Manganese

AS/NZS 3679.1 - 2010

onesteel

Chemical Composition and Min Yield

TABLE 1

CHEMICAL COMPOSITION OF BARS AND SECTIONS

Grade (see Note 1)	Cast analysis (max.) (see Notes 2 and 3)						
	C	Si	Mn	P	S	Micro-alloying elements (see Note 4)	CE (see Note 5)
300, 300L0, 300L15 and 300S0	0.25	0.50	1.60	0.040	0.040	(See Note 6)	0.44
350, 350L0, and 350S0	0.22	0.50	1.60	0.040	0.040	(See Note 7)	0.45

TABLE 11

TENSILE TEST REQUIREMENTS FOR FLATS AND SECTIONS

Grade	Minimum yield stress, (R_{eH}) MPa (see Note 1)				Minimum tensile strength, (R_m)	Minimum elongation on a gauge length of $5.65\sqrt{S_o}$ (see Note 4)
	Thickness, mm (see Note 3)					
	<11	≥11 to ≤17	>17 to <40	≥40	MPa	%
300, 300L0	320	300	280	280	440	22
300L15, 300S0	320	300	280	280	440	25 (see Note 2)
350, 350L0	360	340	340	330	480	20
350S0	360	340	340	330	480	25 (see Note 2)

JIS G 3101

onesteel

Rolled Steels for General Structure

Table 2 Chemical composition

Unit : %

Symbol of grade	C	Mn	P	S
SS330	—	—	0.050 max.	0.050 max.
SS400				
SS490				
SS540	0.30 max.	1.60 max.	0.040 max.	0.040 max.
Alloying elements other than those given in this table may be added as necessary.				

Table 3 (continued)

Symbol of grade	Yield point or yield strength N/mm²			
	Thickness of steel product [a] mm			
	16 or under	Over 16 up to and incl. 40	Over 40 up to and incl. 100	Over 100
SS400	245 min.	235 min.	215 min.	205 min.

Symbol of grade	Yield point or yield strength N/mm²			
	Thickness of steel product [a] mm			
	16 or under	Over 16 up to and incl. 40	Over 40 up to and incl. 100	Over 100
SS490	285 min.	275 min.	255 min.	245 min.

JIS G 3106

onesteel

Table 7 Yield point or proof stress tensile strength and elongation

Designation	Yield point or proof stress N/mm²						Tensile strength N/mm²		Elongation		
	Thickness of steel product [a] mm						Thickness of steel product [a] mm		Thickness of steel product [a] [b] mm	Test piece	%
	16 or under	Over 16 up to and incl. 40	Over 40 up to and incl. 75	Over 75 up to and incl. 100	Over 100 up to and incl. 160	Over 160 up to and incl. 200	100 or under	Over 100 up to and incl. 200			
SM400A SM400B	245 min.	235 min.	215 min.	215 min.	205 min.	195 min.	400 to 510	400 to 510	5 or under	No. 5	23 min.
									Over 5 up to and incl. 16	No. 1A	18 min.
SM400C					–	–			Over 16 up to and incl. 50	No. 1A	22 min.
									Over 40	No. 4	24 min.
SM490A SM490B	325 min.	315 min.	295 min.	295 min.	285 min.	275 min.	490 to 610	490 to 610	5 or under	No. 5	22 min.
									Over 5 up to and incl. 16	No. 1A	17 min.
SM490C					–	–			Over 16 up to and incl. 50	No. 1A	21 min.
									Over 40	No. 4	23 min.
SM490YA SM490YB	365 min.	355 min.	335 min.	325 min.	–	–	490 to 610	–	5 or under	No. 5	19 min.
									Over 5 up to and incl. 16	No. 1A	15 min.
									Over 16 up to and incl. 50	No. 1A	19 min.
									Over 40	No. 4	21 min.
SM520B SM520C	365 min.	355 min.	335 min.	325 min.	–	–	520 to 640	–	5 or under	No. 5	19 min.
									Over 5 up to and incl. 16	No. 1A	15 min.
									Over 16 up to and incl. 50	No. 1A	19 min.
									Over 40	No. 4	21 min.
SM570	460 min.	450 min.	430 min.	420 min.	–	–	570 to 720	–	16 or under	No. 5	19 min.
									Over 16	No. 5	26 min.
									Over 20	No. 4	20 min.

NOTE : 1 N/mm² = 1 MPa

Notes [a] For sections, the term "thickness of steel product" means the thickness at the position where the test piece is taken.

[b] For the elongation of No. 4 test piece of the steel products over 100 mm in thickness, 1 % is subtracted from the value of elongation given in table 7 per each increase of 25 mm in thickness or its fraction. However, the limit to be subtracted shall be 3 %.

G 3106 : 2008 7