

8 July 2014

Mr Rod Jones
Case Manager
Anti-Dumping Commission
C/o Australian Customs and Border Protection Service
Customs House
5 Constitution Avenue
CANBERRA ACT 2601

For Public File

Dear Mr Jones

Investigation into Rod In Coil exported from Indonesia, Taiwan and Turkey – Submission on behalf of Turkish Steel Exporters' Association of 3 June 2014

Introduction

I refer to the submission dated 3 June 2014 made on behalf of the Turkish Steel Exporters' Association (CIB) ("TSEA"). It is contended on behalf of the Turkish exporters of Rod In Coil ("RIC") products to Australia that their exports have not resulted in injury to the Australian industry manufacturing like goods.

OneSteel Manufacturing Pty Ltd ("OneSteel") maintains its claims contained in the application that dumped exports from Indonesia, Taiwan and Turkey have caused material injury to the Australian industry and therefore rejects the assertions made on behalf of the Turkish exporters.

Material injury to the Australian industry

TESA inaccurate assertions

TESA states that it is not convinced of OneSteel's arguments concerning injury to the Australian industry across the reference period. In Consideration Report No. 240 the Anti-Dumping Commission ("the Commission") indicated¹ that it appeared the Australian industry had experienced "*volume, price and profit injury*" on the basis of OneSteel's external and internal sales of RIC, and that despite the high proportion of internal sales "*this does not impact on overall injury trends*".

TESA's interpretation of the Commission's view on injury where it claims "*the Commission stated clearly that injury to the applicant was not evident today if the applicant's sales were taken into account*" is not supported in Consideration Report No. 240.

OneSteel is not concerned by the inclusion of its internal sales in the overall Australian market analysis for injury purposes. As indicated in its application, the internal transfer price for RIC sold to OneSteel's Wire and Mesh business is based upon the prevailing selling prices for RIC to external customers.

Australian market sales

It is argued on behalf of TESA that there was an "*insignificant continuous decrease in sales of Australian production over the reference period*" as depicted in Figure 1 of Consideration Report No.

¹ Consideration Report No. 240, Section 6.3, P.21.

240. OneSteel submits that in the absence of indices to identify the volumes reflected in the Figure, TESA's claims cannot be accepted.

Further, TESA claims that the Commission has understated the size of the Australian market. This assertion is made by TESA on the basis of data accessed by it from World Steel Association. OneSteel has provided the Commission with its actual production and sales volumes across the reference period. This data is for the goods the subject of the application, whereas the World Steel Association data is likely for goods at a higher aggregated level.

OneSteel does not consider that TESA has provided information to justify termination of the investigation.

Import volumes from Turkey

TESA contests that the import volume of the goods the subject of the investigation from Turkey were "very low" in 2013 and the Parliamentary Secretary should terminate the investigation. The Commission was satisfied that imports from Turkey during the investigation period exceeded negligible levels and recommended the initiation of an investigation against exports from Turkey. OneSteel identified imports from Turkey at 13.3 per cent of total imports in 2013 – well in excess of the negligible level for termination purposes in accordance with s.269TDA(3) and (4) of the *Customs Act 1901*.

Price-effect injury

It is presented on behalf of TESA that the Australian industry has not experienced price-effect injury from Turkish exports of like goods to Australia. OneSteel has included information in its application that contradicts TESA's assertions and evidences price undercutting by Turkish exports.

TESA is not in possession of the complete data to assess whether the Australian industry's non-injurious price for Turkish exporters is below Turkish export prices to Australia during the investigation period. TESA's claims that Turkish exporters have not caused price injury to the Australian industry therefore cannot be validated by TESA.

The claims made on behalf of TESA concerning an absence of price impacts by Turkish exports can only be confirmed by the Commission. The injurious impact of the Turkish exports will be examined by the Commission following confirmation of dumping by the Commission post exporter verification visits.

Other causes of injury

TESA "objects" to the Commission accumulating the injurious effects of dumping from the countries the subject of the investigation. As indicated above, exports of the goods from Turkey exceed the negligible volume thresholds, the exported goods compete directly with goods produced by the Australian industry and with exports from Indonesia and Taiwan, and the cumulative effects as detailed in s.269TAE(2C)(e) are satisfied.

OneSteel also rejects TESA's suggestion that the impact of the dumped Turkish exports on Australian industry prices is "immaterial". The cumulative effect of the dumped imports into Australia is sufficient to cause material injury to the Australian industry during 2013.

Other matters for consideration

OneSteel is confident that the Parliamentary Secretary will exercise care in his decision to apply interim dumping measures on dumped and injurious exports as nominated in OneSteel's application. The Commission follows a due process where all factors that may be the cause of injury will be

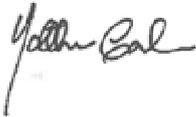
examined by it during the course of the investigation. All interested parties will have sufficient opportunity to comment on the matters identified by the Commission.

Closing remarks

TESA has not evidenced sufficient grounds for the investigation into the dumping of RIC from Turkey to be terminated at this point in time of the investigation.

If you have any questions concerning this letter please do not hesitate to contact OneSteel's representative Mr John O'Connor on (07) 3342 1921 or Mr Matt Condon of OneSteel on (02) 8424 9880.

Yours sincerely



Matt Condon
Manager – Trade Development
OneSteel Manufacturing Pty Ltd