

PUBLIC FILE

From: David Roberts [mailto:droberts@sanwa.com.au]
Sent: Thursday, 24 November 2011 12:48
To: Trade Measures Ops 3
Subject: Australian Customs Duty Notice (ACDN) No 2011/43.

Director Operations 3:
Attention: Mr Geoffrey Gleeson
International Trade Remedies Branch
Australian Customs and Border Protection Service
Customs House
5 Constitution Avenue
CANBERRA ACT 2601

Dear Sir,

Regarding :: Australian Customs Duty Notice (ACDN) No 2011/43.

I am aware that Onesteel ATM has included post Hot Dipped Galvanised Pipe(HDGP) as part of the products that they are 'alleging' are dumped into Australia. This is despite:

- 1) ATM on our information will no longer stock HDGP, let alone make it
- 2) ATM has a shipment of 3000 tonnes due from Vietnam - final shipment
- 3) ATM has the HDGP included in this dumping and subsidy case
- 4) ATM are wanting Customs to impose 15 to 20% Dumping Duty on future imports from Thailand, Malaysia, Taiwan, Korea and for China the 15-20% dumping duty PLUS 40% Subsidy
duty on HDGP ex China (**Note the Subsidy amount is based on the recent precedent ruling in the Aluminium extrusions case!**)
- 5) Whilst ATM did make HDGP during the Customs investigation period, they ceased production prior to the initiation of this Dumping Action.
- 6) Critically there is no functional substitute for HDGP produced in Australia.
- 7) Supagal or Duragal **ARE NOT** functional substitutes for HDGP being significantly inferior product manufactured by a different process
- 8) Closing down HDGP production is a permanent decision and not an on/off switch. Note Newcastle HDGP was permanently 'mothballed' in 2007/08.
- 9) ATM may have a new owner to change this decision but until then if you want HDGP other from Onesteel's exclusive Vietnam source you will be paying heaps of extra duty on something not made in Australia.

PUBLIC FILE

10) If dumping and subsidy duties are applied, they will apply for the next 5 years providing OneSteel ATM with a market exclusive exemption.

I am deeply concerned about the actions being taken by Onesteel and the ease with which new customs / import processes may facilitate actions being taken which prejudice the vast number of steel value adders which we sell to in Australia and who offer product in free competition to Onesteel. I believe the actions taken by Onesteel are entirely self serving. By alleging dumping by all the countries and companies in close proximity to Australia excepting those it is itself importing from (Vietnam) in essence Onesteel is alleging anti-dumping against the whole world. Whilst I readily concede the world exists beyond Thailand, Malaysia, Taiwan Korea and China the absolute reality is that for pipe production at international market prices other countries cannot produce and ship at competitive prices into Australia.

If effectively Onesteel is alleging dumping against the entire trade-possible world, is it not more likely that Onesteel is simply guilty of poor and non competitive production practice itself ?

Regards,

David Roberts

David Roberts

General Manager / Trading Director, Sanwa Pty Ltd

droberts@sanwa.com.au

Tel : 61 2 9362 4088 Fax: 61 2 9362 3622 Mob: 0411 701 616

*** All pricing quotes and business closed is subject to final reconfirmation and incorporation of standard Sanwa offer and sales conditions.

These are available by request or viewable on our website : www.sanwa.com.au.

Please read all terms and conditions carefully before entering obligations.

This email was scanned by Webroot Email Security.