



Australian Government
Anti-Dumping Commission

INVESTIGATION INTO THE ALLEGED DUMPING OF QUENCHED AND TEMPERED STEEL PLATE EXPORTED FROM FINLAND, JAPAN AND SWEDEN

RECORD OF MEETING

ANTI-DUMPING COMMISSION AND BISALLOY STEELS PTY LTD

Date: Thursday, 1 May 2014
Location: Customs House Melbourne, 1010 Latrobe Street Docklands Melbourne
Attendees:

Bisalloy

John O'Connor as consultant
Robert Terpening
Tom Matinca

Anti-Dumping Commission

Lisa Hind, General Manager
Kerry Taylor, Director
Joanne Reid, Director
Christie Sawczuk, A/g Director
Matthew Williams, Assistant Director
Rebecca Oliver, Senior Investigator
Peter McCrohan, Senior Investigator

Discussed:

- Bisalloy Steels Pty Ltd (Bisalloy) requested a meeting with the Anti-Dumping Commission (the Commission) to brief exporter visit teams in relation to the Quenched and Tempered steel plate investigation.
- Bisalloy submitted the attached non-confidential document as a summary of the discussion points it raised at the meeting.
- Subsequent to the briefing it was agreed that Commission will not take the confidential information Bisalloy provided regarding Japanese mill prices into consideration. To date, insufficient detail allowing a reasonable understanding of the content of the confidential information was provided to the Commission for inclusion on the public record.

Public File
Australian Industry - ADC Exporter Visit Questionnaire Briefing
Meeting 1st May 2014

General

- The pace of the investigation to date and the apparent latitude given to exporters is concerning, given the justifications for the extension to the SEF were all known when the investigation was initiated. In the meantime the Australian Industry continues to suffer material losses which could have consequential repercussions.
- Expectations of Preliminary measures commensurate with our alleged dumping margins would be determined not long after the first 60 day period, now it looks like taking potentially twice this period, inflicting further material injury upon the Australian Industry.
- The commission has access to verified CTMS of Q&T Steel plate Greenfeed from a previous investigation (INV198) readily available to use in cost modelling for the three integrated steel manufacturers which could be used as benchmark to determine 'fully absorbed' costs to make Q&T Steel Plate up to the point heat treatment.
- Ensure that the transfer pricing for Q&T Steel Greenfeed plate from the mill for further heat treatment etc. to finished Q&T Steel Plate, is transferred on the basis of fully absorbed costs and not at standard costs or market prices i.e. a full supply chain financial analysis is completed that accounts for fully absorbed costs to make and Sell (CTMS) Q&T Steel plate, particularly in the case of 'related party' sales as has been alleged for Exporters from Sweden and Japan.
- Concerns that statements made by SSAB on the ADC Website should have been tested/verified before public release
- Still waiting for submission from JFE on 11.03.14 to be authenticated on basis of company letterhead or signatory to the submission.
- Concerns about confidence in data being supplied by Exporters is equivalent in terms of Bisalloy's GUC description with regards to grades (Wear & Structural) as per our ADA Tables A-3-3.1 and A-3-3.2 (nominated importer grade brand names) and also as referenced in our Evidence of undercutting.
- Concerns that impending FTA with Japan undermines any measures that may be imposed by ADC as 5% import tariff elimination as a result of the FTA will reduce the impact of any dumping margin that may be recommended by the Commissioner as a result of this investigation.
- Concerns that new information (other than that provided by Exporters in response to the Exporter Questionnaire) is being given consideration due to granted extensions or otherwise e.g. NSSMC non-cooperation.

Exporters from Japan – Comments/questions

- Normal Value determination - Information provided to Bisalloy Steels quoting Japanese mill prices of Q&T Steel Plate - Wear and structural grades direct to Distributor equivalent at:-

[commercially sensitive pricing information]

- Suggest that calculated dumping margins for NSSMC should consider the above information on Normal Value prices of Q&T Steel in Japan provided by Bisalloy.
- Ensure that a fully absorbed approach of CTMS Q&T Steel plate is taken to establish the CTMS as per general comments.
- Ensure that JFE provides Australian and local Japanese prices for GUC as per nominated EVERHARD (EH/EHs) wear and HITEN structural grades.

Exporter from Finland – Comments/questions

- Ensure Australian and local Finnish prices are supplied for Raex – Wear grades and not TMCP product.
- Ensure Australian and local Finnish prices are supplied for OPTIM 700 QL – Structural grade
- Ensure that a fully absorbed approach of CTMS Q&T Steel plate is taken to establish the CTMS as per general comments.
- Review of Bisalloy submission response to Ruukki Dated 4 April 2014
 - Admission of Dumping implicit within Ruukki submissions

Exporter from Sweden – Comments/questions

- Prices for HARDOX 450 – Wear grades
- Prices for WELDOX 700 – Structural grades
- Ensure that a fully absorbed approach of CTMS Q&T Steel plate is taken to establish the CTMS as per general comments.