Grinding Balls
Exported from the People’s Republic of China

Findings in Relation to a Subsidisation Investigation

Customs Act 1901 – Part XVB

The Commissioner of the Anti-Dumping Commission (the Commissioner) has completed the investigation into the alleged subsidisation of grinding balls ("the goods"), exported to Australia from the People’s Republic of China (China).

The goods the subject of the investigation are:

   Ferrous grinding balls, whether or not containing alloys, cast or forged, with diameters in the range 22mm to 170mm (inclusive).

The goods covered by this application include all ferrous grinding balls, typically used for the comminution of metalliferous ores, meeting the above description of the goods regardless of the particular grade or alloy content.

Goods excluded from this application include stainless steel balls, precision balls that have been machined and/or polished, and ball bearings.

The goods are generally, but not exclusively, classified to the following tariff classifications in Schedule 3 of the Customs Tariff Act 1995:

- Tariff subheading 7325.91.00 with statistical code 26;
- Tariff subheading 7326.11.00 with statistical code 29; and
- Tariff subheading 7326.90.90 with statistical code 59.

These tariff classifications and statistical codes may include goods that are both subject and not subject to this investigation. The listing of these tariff classifications and statistical codes are for convenience or reference only and do not form part of the goods description.

The Commissioner reported his findings and recommendations to me in Anti-Dumping Commission Report No. 316 (REP 316), in which he outlines the investigation carried out and recommends the publication of a countervailing duty notice in respect of the goods.

I have considered REP 316 and accepted the Commissioner’s recommendations and reasons for the recommendations, including all material findings of fact and law on which
the Commissioner’s recommendations were based, and particulars of the evidence relied on to support the findings.

Particulars of the subsidy programs and level of subsidisation established are set out in the following table:

<table>
<thead>
<tr>
<th>Exporter</th>
<th>Countervailable subsidy programs*</th>
<th>Subsidy Margin</th>
<th>Duty Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uncooperative and all other exporters</td>
<td>3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 47, 48, 49, 50, 51, 52, 53 and 54</td>
<td>8.2%</td>
<td>Proportion of export price</td>
</tr>
</tbody>
</table>

*The names and details of each of the above countervailable subsidy programs are contained within REP 316.

I, CRAIG LAUNDY, Assistant Minister for Industry, Innovation and Science and the Parliamentary Secretary to the Minister for Industry, Innovation and Science, have considered, and accepted, the recommendations of the Commissioner, the reasons for the recommendations, the material findings of fact on which the recommendations are based and the evidence relied on to support those findings in REP 316.

I am satisfied, as to the goods that have been exported to Australia from China, that countervailable subsidies have been received in respect of the goods and because of that, material injury to the Australian industry producing like goods might have been caused if the security had not been taken. Therefore under subsection 269TJ(1) of the Act, I DECLARE that section 8 of the Customs Tariff (Anti-Dumping) Act 1975 (the Dumping Duty Act) applies to:

(i) the goods; and

(ii) in accordance with subsections 45(2), 45(3A)(b) and 269TN(2) of the Act, like goods that were exported to Australia for home consumption on or after 22 April 2018, which is when the Commonwealth took securities following the Commissioner’s Preliminary Affirmative Determination published on 21 April 2106 under section 269TD of the Act, but before the publication of this notice.

I am also satisfied that a countervailable subsidy has been received in respect of the goods that have already been exported to Australia, and that a countervailable subsidy may be received in respect of like goods that may be exported to Australia in the future; and because of that, material injury to the Australian industry producing like goods has been or is being caused. Therefore, under subsection 269TJ(2) of the Act, I DECLARE that section 10 of the Dumping Duty Act applies to like goods that are exported to Australia after the date of publication of this notice.

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1 The Minister for Industry, Innovation and Science has delegated responsibility with respect to anti-dumping matters to the Parliamentary Secretary and accordingly the Parliamentary Secretary is the relevant decision maker. On 19 July 2016, the Prime Minister appointed the Parliamentary Secretary to the Minister for Industry, Innovation and Science as the Assistant Minister for Industry, Innovation and Science.
This declaration applies in relation to all exporters of the goods and like goods from China with the exception of:

- Changshu Longte Grinding Ball Co., Ltd;
- Jiangsu CP Xingcheng Special Steel Co., Ltd;
- Hebei Goldpro New Materials Co., Ltd; and
- Jiangsu Yute Grinding International Co., Ltd.

The considerations relevant to my determination of material injury to the Australian industry caused by subsidisation are the size of the subsidy margins, the effect of subsidised imports on prices in the Australian market in the form of price undercutting and the consequent impact on the Australian industry including price depression and price suppression, loss of market share, loss of profits and profitability, reduced employment, reduced revenue and reduced capital utilisation.

In making my determination, I have considered whether any injury to the Australian industry is being caused or threatened by a factor other than the exportation of subsidised goods, and have not attributed injury caused by other factors to the exportation of those subsidised goods.

Interested parties may seek a review of this decision by lodging an application with the Anti-Dumping Review Panel, in accordance with the requirements in Division 9 of Part XVB of the Act, within 30 days of the publication of this notice.

Clarification about how measures are applied to ‘goods on the water’ is available in Australian Customs Duty Notice No. 2012/34, available at www.adcommission.gov.au.

REP 316 and other documents included in the public record may be examined at the Anti-Dumping Commission’s office by contacting the case manager on the details provided below. Alternatively, the public record is available at www.adcommission.gov.au.

Enquiries about this notice may be directed to the case manager on telephone number +61 3 8539 2437, fax number +61 3 8539 2499 or email at operations3@adcommission.gov.au.

Dated this 1st day of September 2016.

CRAIG LAUNDY
Assistant Minister for Industry, Innovation and Science
Parliamentary Secretary to the Minister for Industry, Innovation and Science