



Australian Government
**Australian Customs and
Border Protection Service**

MINUTE PAPER

Meeting with OneSteel Australian Tube Mills Pty Ltd on 16 August

Attendees

Nick Fithall
OneSteel Australian Tube Mills Pty Ltd

Russell Wilkinson
Crowe Horwath Sydney Pty Ltd

John Bracic
Australian Customs and Border Protection

Lydia Cooke
Australian Customs and Border Protection

Record of Meeting

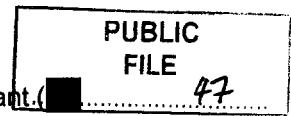
Prior to the meeting OneSteel Australian Tube Mills Pty Ltd (ATM) provided the Australian Customs and Border Protection Service (Customs and Border Protection) with a submission, the non-confidential version of which is available on the public record. The purpose of this meeting was to further explain the submission and answer any questions that arose as a response of this submission.

ATM reiterated its view that material injury should be assessed separately across the three designated market sectors. It stated that imports from Japan primarily competed in the pipe and tube sector and the automotive sector. As a result of different countries selling significantly different proportions into different market sectors with different product/service requirements, ATM was of the view that cumulation of imports is inappropriate in the case.

ATM observed that BlueScope's restructure would have resulted in an increase in overhead unit \$/t costs. Accordingly, it was best to measure changes in BlueScope's profits by examining the margin between BlueScope's unit raw material costs (rather than cost to make and sell) and its price.

ATM also reiterated that:

- it purchased imported coil at or above international benchmark prices;
- [REDACTED] *[confidential purchasing details]*;
- it purchased the vast majority of its hot rolled coil requirements from BlueScope;
- it required a second source of supply primarily for insurance in the event of supply shortages. This is particularly important given the lead time to establish new suppliers; and
- significant price, volume and market share pressure was being put on the pipe and tube industry as a result of imported finished goods.



- The volumes and overall market share of imported HRC were insignificant. (■ [percentage]) relative to the volumes of imported pipe and tube (■ [percentage]).

The pricing method between ATM and both BlueScope and ATM's overseas supplier was discussed.

ATM undertook to provide a submission on what it considered the unsuppressed selling prices to be and the corresponding Non Injurious Price (NIP) for Japan.