



18 April 2013

Ms Joanne Reid
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International Trade Remedies Branch
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Received
19 April 2013

Dear Ms Reid

Public File

Aluminium Zinc Coated Steel and Galvanized Steel exported from the People's Republic of China, the Republic of Korea, and Taiwan – Additional comments re OneSteel ATM submissions dated 8 and 12 April 2013

I refer to the submissions by OneSteel Australian Tube Mills ("OneSteel ATM") dated 8 and 12 April 2013. BlueScope Steel Limited ("BlueScope") provides the following additional comments for consideration by Customs and Border Protection.

OneSteel ATM has suggested that there are no grounds for continuing a separate anti-dumping investigation into galvanized hot rolled coil as BlueScope Steel Limited ("BlueScope") did not produce the goods during the investigation period.

BlueScope concurs that it did not manufacture identical goods during the investigation period (i.e. galvanized hot rolled coil). However, BlueScope did manufacture like goods to galvanized hot rolled coil, being galvanized cold rolled coil. BlueScope did produce and sell galvanized cold rolled coil throughout the investigation period for use by the pipe and tube industry. The galvanized cold rolled coil whilst not being identical to galvanized hot rolled coil does possess characteristics closely resembling galvanized hot rolled coil and is considered a 'like good'.

BlueScope notes OneSteel ATM's comments concerning the use of galvanized cold rolled steel being "*unsuitable for the majority of Structural tube applications*¹". This statement indicates that galvanized cold rolled steel can be used in structural pipe and tube applications and a level of substitutability does exist. BlueScope has historically (including during the investigation period) offered AS 1163:2009 steel in the thickness range 1.5 to 3.0mm in galvanized cold rolled steel form. BlueScope draws to Customs and Border Protection's attention that there is a substantial market within Australia for non-compliant AS/NZ Standard 1163:2009 pipe and tube to which galvanized cold rolled coil is an adequate fit-for-purpose substrate.

In support of BlueScope's position that dumped imported hot rolled galvanized coil was offered in the Australian market against BlueScope's cold rolled galvanized steel during the investigation period refer to market offers included in BlueScope's application for measures. Specifically, quotations by [company] in July 2011 for "SGHC" product; Offer for [company] SGHC coil ex China for February 2012 arrival; [company] offer of 16 February 2012 for SGHCZ27 coil. In addition, the price undercutting example at Confidential Attachment A-9.2.4 in the distribution sector evidences a long-

¹ OneSteel ATM submission 12 April 2013, P.4.

term customer where BlueScope was required to reduce its price against imported prime hot dipped galvanised coil.

The available evidence supports BlueScope's position that dumped galvanised hot rolled coil was sold in direct competition against BlueScope's galvanized cold rolled coil, and that the goods are considered alike.

The future impact of dumped galvanized hot rolled coil is of **significant** concern to BlueScope. In the absence of anti-dumping measures on dumped galvanized hot rolled coil from China, Korea and Taiwan, the Australian industry is **threatened** with future material injury that will likely result from the dumping (and subsidization). Anti-dumping measures applicable to galvanized steel (including hot rolled galvanized steel) are necessary to ensure that the dumping that has previously occurred does not continue and cause future material injury to the Australian industry (including for galvanized hot rolled coil).

In conclusion, BlueScope re-affirms that like goods to galvanized hot rolled coil were available from local supply during the investigation period. It cannot be concluded that BlueScope did not suffer material injury from imported galvanized coil during the investigation period as like goods were available from the Australian industry and imported galvanized coil (including both cold rolled and hot rolled coil) contributed to material injury experienced by the Australian industry. The investigation into exports of galvanized hot rolled coil should not be terminated. Anti-dumping measures on future exports of galvanized hot rolled coil are necessary to ensure the Australian industry is not threatened with future material injury from dumping of galvanized coil (both cold rolled and hot rolled coil).

If you have any questions concerning this letter, please do not hesitate to contact me on (02) 4275 4638.

Yours sincerely



Chad Uphill
International Trade