



AUSTRALIAN CUSTOMS DUMPING NOTICE NO.2011/62

Certain Hollow Structural Sections

Exported from the People's Republic of China, the Republic of Korea, Malaysia, Taiwan and the Kingdom of Thailand

Preliminary Affirmative Determination

CUSTOMS ACT 1901 – PART XV B

On 19 September 2011 the Chief Executive Officer (CEO) of the Australian Customs and Border Protection Service (Customs and Border Protection) initiated an investigation following an application lodged by OneSteel Australian Tube Mills Pty Ltd, a manufacturer of hollow structural sections (HSS) in Australia. The application requests the publication of a dumping duty notice in respect of certain HSS exported to Australia from the People's Republic of China (China), the Republic of Korea (Korea), Malaysia, Taiwan and the Kingdom of Thailand (Thailand), and the publication of a countervailing duty notice in respect of certain HSS exported to Australia from China.

The goods the subject of the application (the goods) are certain electric resistance welded pipe and tube made of carbon steel, comprising circular and non-circular hollow sections in galvanised and non-galvanised finishes. The goods are normally referred to as either CHS (circular hollow sections) or RHS (rectangular or square hollow sections). The goods are collectively referred to as HSS (hollow structural sections). Finish types for the goods include in-line galvanised (ILG), pre-galvanised, hot-dipped galvanised (HDG) and non-galvanised HSS.

Sizes of the goods are, for circular products, those exceeding 21mm up to and including 165.1mm in outside diameter and, for oval, square and rectangular products those with a perimeter up to and including 1277.3mm. Categories of HSS excluded from the goods are conveyor tube; precision RHS with a nominal thickness of less than 1.6mm and air heater tubes to Australian Standard (AS) 2556.

In accordance with s.269TD(4)(a) of the *Customs Act 1901* (the Act), the CEO gives public notice that a preliminary affirmative determination has been made that there appears to be sufficient grounds for the publication of a dumping duty notice in respect of the goods exported to Australia from China, Korea, Malaysia and Taiwan.

The CEO also gives public notice, in accordance with s.269TD(5) of the Act, that the officer of Customs taking securities is satisfied that it is necessary to require and take securities to prevent material injury to the Australian industry occurring while the investigation continues.

Customs and Border Protection will require and take securities under s.42 of the Act in respect of any interim dumping duty that may become payable in respect of the goods from China, Korea, Malaysia and Taiwan. The date from which securities will be taken will be advised in a subsequent notice.

Customs and Border Protection has undertaken a preliminary analysis of dumping margins. The results of this preliminary analysis are tabulated below.

Exporter	Dumping Margin
China	
Dalian Steelforce Hi-Tech Co., Ltd.	< 2%
Hengshui Jinghua Steel Pipe Co., Ltd	9.2%
Huludao City Steel Pipe Industrial Co., Ltd.	6.3%
Qingdao Xiangxing Steel Pipe Co., Ltd.	10.5%
Zhejiang Kingland Pipeline & Technologies Co., Ltd	< 2%
Other Chinese exporters that provided responses to the exporter questionnaire	8.7%
All other Chinese exporters	10.5%
Korea	
All exporters	11.5%
Malaysia	
All exporters	15.0%
Taiwan	
All exporters	15.7%
Thailand	
Pacific Pipe Public Co., Ltd	< 2%
Saha Thai Steel Pipe Public Co., Ltd	< 2%
Samchai Steel Industries Public Company Limited	11.8%
All other Thai exporters	11.8%

The total volume of HSS exported to Australia from Thailand at dumped prices appears to be less than 3 percent of the total Australian import volume. As a result, no preliminary affirmative determination, at this stage, is being made in relation to HSS exported from Thailand.

In reaching this preliminary decision, Customs and Border Protection is satisfied that the dumped goods appear to have caused material injury to the Australian industry producing like goods. A preliminary affirmative determination report was placed on the public record on 23 December 2011.

The preliminary affirmative determination report is available online at customs.gov.au.

The CEO must report to the Minister for Home Affairs (the Minister) with recommendations. The Minister will then decide whether to publish a dumping and/or countervailing duty notice and, if relevant, the level of measures to be imposed. Depending on the Minister's decision, any securities taken may be converted to interim dumping duty or acquitted.

Enquiries concerning this notice may be directed to the case manager on telephone number (02) 6275 6173, fax number (02) 6275 6990 or email tmops3@customs.gov.au.

Justin Wickes
A/g National Manager
International Trade Remedies Branch
CANNBERRA ACT

23 December 2011