



**Australian Government**

**Australian Customs and  
Border Protection Service**

## **AUSTRALIAN CUSTOMS DUMPING NOTICE NO.2012/27**

### **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 XVB*

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 countervailing duty notice in respect of the goods exported to Australia from China.

Customs and Border Protection has undertaken an analysis of subsidy margins. The results of this analysis are tabulated below.

<b>Exporter</b>	<b>Product subsidy margins</b>
Dalian Steelforce	11.1%
Hengshui Jinghua	4.6%
Huludao	Negligible
Qingdao Xiangxing	Negligible
Zhejiang Kingland	2.2%
TFQ	7.9%
Selected non-cooperating exporters	54.8%

In reaching this preliminary decision, the CEO is satisfied that the dumped and subsidised goods appear to have caused material injury to the Australian industry producing like goods.

A preliminary affirmative determination report will be placed on Customs and Border Protection's Public Record on 6 June 2012. The preliminary affirmative determination report is also available online at [customs.gov.au](http://customs.gov.au).

The CEO must report to the Minister for Home Affairs (the Minister) with final recommendations in relation to this investigation on or by 7 June 2012. 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.

On 23 December 2011, the CEO made a preliminary affirmative determination that there appeared 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. Following this determination, Customs and Border Protection required and took securities under s. 42 of the Act, in order to prevent material injury occurring while the investigation continues.

Having regard to the quantum of the dumping securities currently in place, the due date for Customs and Border Protection's final report to the Minister in this investigation, and the operation of the collection and later conversion of securities system, Customs and Border Protection has decided to not require and collect countervailing securities at this time.

However, if the CEO becomes satisfied at a later date that countervailing securities should be collected in order to prevent material injury occurring while the investigation continues, Customs and Border Protection may require and take such countervailing securities in the future. Any such imposition of countervailing securities will be subject to a separate public notification.

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](mailto:tmops3@customs.gov.au).

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CANBERRA ACT

6 June 2012