

**Subject:**

FW: 643 - Sanwa Pty Ltd RIQ deficiency advice -----Anti-Circumvention Inquiry  
643 – Rod in coil from the People’s Republic of China [SEC=OFFICIAL]

Regarding -- Anti-Circumvention Inquiry 643 – Rod in coil from the People’s Republic of China

You have asked me for more information on the questions related to section B—” The goods and the circumvention goods

The best way for me to explain our Sanwa position is to suppose that someone (lets call them Jack) is charged with murder of someone else (Jill). The police want to go to court of course except Jack is able to show that Jill is well and truly alive and still has a healthy relationship with Jack and has no idea why anyone is suggesting she is dead.. The Police say .....we don’t care if there is no motive and there is no body someone has provided evidence in one of our forms that say she is dead and you had something to do with it..... You have got to answer some questions and fill out some very detailed forms before we can release you. If you don’t you may have to stay locked up for at least 5 years.

In this wire rod to mesh case the evidence that has already been revealed by multiple sources is crystal clear on the point that alleging that wire mesh is “slightly” modified from wire rods is rubbish. The very substantial modifications that cannot be disputed should put the onus back on the applicant to explain why this action is still being allowed to waste your and our time. Without such an explanation I am not inclined to waste my time to highlight other flaws in the applicants case when the most critical flaw has been highlighted by everyone so clearly. I also have spent a lot time on this point as the AD records would show. I understand the case was initially put before the AD Commission, without an affidavit or statement that it represents a fair and complete representation of the facts so whilst it may have ticked all the necessary boxes it should not still be allowed to stand. The requests by others that the case should have been thrown out, should have been acceded to.

Sanwa has made its position very clear that we do not have a substantial financial interest in the success or failure of the circumvention action. Rather our concerns are that the applicant is taking liberties with the facts to represent a very limited one sided case which bears no reality to the overall truth. What it does seem to do however is to shift the burden of proof and that is a minimum of what they wanted.

This is a very important case for the commission and let me explain why. I am also of the opinion that the Chinese mesh makers may have the opportunity to substantially damage the Australian market give the lack of work which may exist in their own market. I have no idea about their domestic pricing. Costs etc. Sanwa regards most of the Australian mesh makers as friends and customers of other products (wire rods/rebar) so obtaining protection certainly may make sense. What is important is whether the ends justify the means. The route taken by Infrabuild is to avoid the higher administrative burden and more lengthy process of an anti-dumping action on the wire mesh even though other more clearly appropriate measures of anti dumping and counter-vailing duties exist. That is by taking a massive short cut and hitching a free ride on a product much, much higher up the production chain with an existing 30 percent dumping duty already in place. This allows it to achieve a faster and larger result in its favour than if it pursued the normal intended actions available to it. The problem with the short cut is that the facts don’t support the argument.

I have continuing concern that you are still asking questions which the “AD handbook” tells you to answer and that you are not looking at the fact that there is no dead body.. In B 4.3 for example you have re-asked “*Are there any purpose(s) and/or end use(s) that the goods and the circumvention goods can be used interchangeably for?*”

My original answer which I stand by was .....*Wire rods cannot be directly used for any purposes that mesh is used. Excepting maybe if you had a dead body and you wanted to sink it out to sea, ,then both mesh and wire rod could be used to sink it.....*, The inclusion of the word **direct** is important. Yes of course you can convert wire rods into mesh if you want to substantially further manufacture but without this, I cannot think of any no common purpose or end use for both products, other than anchoring objects at sea.

I am sure that there is a natural and agreeable inclination in every anti-dumping organisation in every country in the world to help but I am sure that in most of these countries the main beneficiary is not a single monopoly steel maker whose principle shareholder is an overseas citizen whilst the Australian public paying the worlds highest prices for housing could miss out on the lower prices which free competition for building materials brings.

I also ask of the commission.....please stop wasting your time, my time and the tax-payers money by continuing this circumvention action which should never have got to first base.

(This is available for publication as public comment)

Regards

**David Roberts**

General Manager / Trading Director

**SANWA Pty Ltd**