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28 Aug 2026

Director, Investigations
Anti-Dumping Commission

BY EMAIL: investigations@adcommission.gov.au

Dear Director,

Accelerated Reviews 711 to 715 - Hollow Structural Sections from China

Form of interim dumping duty: combination duty method and matters the commission should verify

Austube Mills Pty Ltd (**ATM**), is an Australian producer of hollow structural sections and interested party to the current accelerated reviews.

The accelerated reviews concern the following applicants identified in the available source material:

- Review 711 - Jiangsu Jin Run Intelligent Equipment Co., Ltd
- Review 712 - Jiangsu Youli Intelligent Equipment Co., Ltd
- Review 713 - China Custom Manufacturing, Ltd. (CCMFG), with Jiaxing Pacific Solar Tech. Inc. identified as factory/manufacturer
- Review 714 - Yueqing Yihua New Energy Technology Co., Ltd
- Review 715 - Suzhou Baojia New Energy Technology Co., Ltd

The Commission is requested to recommend that the Minister apply, the combination of fixed and variable duty method under subsections 5(2) and 5(3) of the *Customs Tariff (Anti-Dumping) Regulation 2013* (**the Regulation**) to each of the accelerated review applicants, to the extent the evidentiary record permits the necessary variable factors to determine both a floor price and *ad valorem* rate of dumping.

In making this request, ATM aims to ensure that any exporter-specific outcome remains effective, proportionate and aligned to actual export pricing.

The combination method of interim duty calculation

Subsection 5(2) of the Regulation describes the combination method. It specifies a fixed element reflecting the difference between ascertained normal value and ascertained export price, plus a variable element where the actual export price of the particular goods is below the ascertained export price. Subsection 5(3) permits the fixed element to be applied by proportion, quantity, or a combination of both.

Why the combination method should apply

The combination duty method is the most appropriate interim measure for a new exporter because it balances trade facilitation with protection against circumvention.

The Commission's *Guidelines on the Application of Forms of Dumping Duty*[1] (**the Guidelines**) recognise that the combination duty method is particularly suited to circumstances where:

[1] November 2013

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> *...there are complex company structures with related parties; and where circumvention of measures is likely* [at p. 4]

and that:

> *...a combination duty can be suitable for cases where the Commission considers that there is a likelihood of price manipulation because of complex related party company structures, or a proven case of price manipulation.* [at p. 7]

In the context of a new exporter applicant, the Commission cannot have the same degree of confidence regarding future pricing behaviour as it may have for exporters with an established record under the measure. Consequently, an interim duty methodology that includes mechanisms to address future price manipulation is warranted.

The variable element provides a safeguard against undercutting through export price reductions. The Guidelines explain that where an exporter lowers its export price below the ascertained export price, the variable duty element automatically increases the duty liability by the amount of the reduction.

The Commission specifically notes that under a combination duty:

> *...there is no incentive for an exporter to lower their prices to avoid the imposition of dumping duties.* [p. 7]

This characteristic is particularly important in an accelerated review because the Commission is effectively assessing a new participant in the Australian market. Applying a pure *ad valorem* duty immediately following the review could create an incentive to lower prices and reduce the duty payable. By contrast, the combination method preserves the intended remedial effect of the measure regardless of such pricing behavior.

The combination method better protects against circumvention risks during the post-review period. The Guidelines acknowledge that the fixed element of the combination duty helps:

> *...ensure the effectiveness of measures where there is a likelihood of price manipulation or circumvention.* [at p.10]

An accelerated review does not involve the same depth of historical verification that may be available in a later (Division 5) review. Accordingly, there remains uncertainty regarding:

- future pricing practices;
- relationships with importers;
- related-party arrangements;
- transfer pricing practices; and
- potential restructuring of export channels.

The combination method addresses these uncertainties by maintaining a fixed remedial component while simultaneously capturing any subsequent reductions in export price through the variable component. As a result, it provides better assurance that the trade remedy continues to remove the injurious effects of dumping throughout the life of the measure.

The combination method is consistent with the objective of maintaining the effectiveness of the original anti-dumping measure. The Guidelines state that all forms of duty must achieve the fundamental objective of:

> *...removing the injurious effects of the dumping.* [at p. 2]

A new exporter accelerated review should not create an outcome that weakens the effectiveness of the original measure. Where there is uncertainty regarding future pricing behaviour, applying the combination method ensures that the exporter receives an individually assessed outcome while maintaining safeguards against practices that could undermine the remedial intent of the measure.

A simple *ad valorem* outcome may reduce duty when the actual export price falls. That is not appropriate where the Commission is dealing with goods brought within the measure after an anti-circumvention outcome and where the practical remedy must be tied to actual export pricing.

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The combination method is the better fit. It preserves a fixed dumping duty component while adding a variable safeguard only where actual export price is below the ascertained export price. It therefore protects the measure without imposing more duty than the pricing circumstances require.

Matters the Commission should verify

The Commission should verify the following matters before fixing exporter-specific variable factors:

- whether each applicant exported the goods, or like goods, during 1 July 2010 to 30 June 2011, **assessed by reference to the goods as now covered by the operative HSS measures and anti-circumvention alterations**. In other words, did the exporters or their associates export the now subject circumvention goods during the original investigation period;
- whether the applicants, related entities, trading names, predecessors or manufacturers are associated with exporters examined in the original HSS investigation;
- whether historical import data should be searched not only by the original HSS tariff codes, but also by fabricated goods codes and goods descriptions capable of capturing pipe or tube with holes or other non-plain end features; and
- whether the export price, normal value, cost to make and sell, and any benchmark inputs have been verified sufficiently for an accelerated review outcome

Conclusions

ATM considers that the Commission should only recommend that the HSS dumping duty notice be altered, for each applicant in those circumstances where the Commission has been able to fully and reliably verify the applicant's completed exporter questionnaire responses. Extreme caution should also be applied to ensure that neither the applicant "new" exporters, nor their associates exported the original goods or the circumvention goods (as extended) in the original investigation period.

Furthermore, the combination method of interim duty calculation should also be recommended.

ATM notes the expedited inquiry timeframe, however, reserves its position and may make further submissions once exporter questionnaire responses or additional public record material are available.

For and on behalf of Austube Mills Pty Ltd