



Australian Government

**Australian Customs and
Border Protection Service**

INVESTIGATION INTO HOLLOW STRUCTURAL SECTIONS (HSS)

RECORD OF MEETING

CUSTOMS AND BORDER PROTECTION AND ONESTEEL ATM

Date: Thursday, 19 April 2012

Attendees:

OneSteel ATM

Stephen Porter
General Manager Sales – Rod & Bar,

Customs and Border Protection

Justin Wickes
AVg National Manager ITRB

Geoff Gleeson
Director, Operations 3

Andrea Stone
Manager, Operations 3

Michelle Gibson
Manager, Operations 3

Rebecca Higgins
Supervisor, Operations 3

Discussed:

Market Situation determination – HSS in Thailand

- ATM considers that Customs and Border Protection's assessment of the 'market situation' claims in Thailand, has gone some way to establishing the Government of Thailand's framework with respect to measures in place for hot rolled coil (HRC).
- However ATM, asserts that, contrary to Customs and Border Protection's assessment, the 'price ceiling' framework is very much operative and influences the HRC market.
- ATM referred to new evidence which it asserts indicates that the measures are operative and affect the HRC market. ATM advised that it will make a further submission outlining this evidence.

- ATM discussed imports of HRC in Thailand, asserting that the majority of imported HRC goes to the automotive industry and down stream coating. The remaining imports go to manufacturing exported HSS, which ATM claims are not subject to anti-dumping duties (which would otherwise apply).

Dumping of Thai HSS

- ATM expressed concern that the US Department of Commerce HSS findings with regard to exporters Pacific and Saha differed to Customs and Border Protection findings.
- ATM referred to evidence that indicates HSS export prices to Australia are lower than US import prices of Thai RHS pipe & tube prices.

Market Situation Determination – HSS in China

- ATM commented that there should be an upwards adjustment made to reflect the difference between yield losses in manufacturing HSS from HRC or narrow strip. Customs and Border Protection assured ATM that it considers that its method of benchmark substitution follows though to reflect differences in HRC and narrow strip usage.
- ATM contended that as China is a significant exporter of HRC in the region, regional prices have been distorted and hence the domestic market price of HRC used by Customs and Border Protection to establish its benchmark would be distorted in any case.
- ATM observed that relatively, minimal Chinese HRC is imported into Japan and hence Japanese prices are the most suitable for establishing a benchmark.