



Anti-Dumping Notice No. 2017/002

**Public notice under subsection 269TC(4)
of the *Customs Act 1901***

Alloy round steel bar

Exported from People's Republic of China

Initiation of an Investigation into alleged dumping

Customs Act 1901 – Part XVB

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission, have initiated an investigation following an application lodged by OneSteel Manufacturing Pty Ltd (subject to a Deed of Company Arrangement), a manufacturer of alloy round steel bar (the goods) in Australia. The application seeks the publication of a dumping duty notice in respect of alloy round steel bar exported to Australia from the People's Republic of China.

The application alleges that the goods have been exported to Australia at prices less than their normal value and that the dumping has caused material injury to the Australian industry through:

- price depression;
- price suppression;
- loss of sale volumes;
- loss of market share;
- reduced revenue;
- loss of profits; and
- reduced profitability.

The non-confidential version of the application, which contains the basis of the alleged dumping and injury, is available on the public record.

Particulars of the reasons for the decision to initiate this investigation are in *Anti-Dumping Commission Consideration Report No. 384*, which is available on the public record.

The date of initiation of this investigation is the date of publication of this notice, which is 10 January 2017.

The Goods

The goods the subject of the application (the goods) are:

'Hot-rolled solid sections of 'alloy steel', having round or near-round cross-sectional dimensions of not less than 9.5 millimetres (mm) and not greater than 98.5 mm, not in coil.

For the purpose of the description of the goods the subject of this application, 'alloy steel' here means steel containing a chemical composition that at least meets or exceeds the minimum chemical element proportions specified in Note (f) "Other alloy steel" to Chapter 72 under Schedule 3 of the Customs Tariff Act 1995 ("the Tariff") as appearing on the date of this application.

Commonly identified as 'rod', 'round bar', 'engineering bar', 'spring steel', 'alloy bar', 'high alloy bar', 'silico-manganese bar', 'grinding rod' or 'bar used for the production of grinding media', the goods covered by this application include all round or near-round hot-rolled solid sections of alloy steel bar meeting the above description of the goods regardless of the particular grade, coating, or minor modification of bar-end finish (including but not limited to, painting or chamfering).

Goods excluded from this application are:

- *round or near-round hot rolled solid steel sections composed of:*
 - *'stainless steel' as defined under Note (e) "Stainless steel" to the Tariff; or*
 - *'high-speed steel' as defined under Note (d) "High speed steel" to the Tariff;*
- *steel reinforcing bar containing indentations, ribs, grooves or other deformations produced during the rolling process;*
- *steel rod in coil;*
- *chromium plated steel; and*
- *solid sections of steel which may be square, rectangular or hexagonal in cross-section."*

Tariff classification

The goods are generally, but not exclusively, classified to the following tariff classifications in Schedule 3 to the *Customs Tariff Act 1995*:

Tariff classification (Schedule 3 of the <i>Customs Tariff Act 1995</i>)¹				
<i>Tariff code</i>	<i>Statistical code</i>	<i>Unit</i>	<i>Description</i>	<i>Duty rate</i>
72282010	44	Tonnes	Alloy bars, silico-manganese steel, flattened circles	5% DCS ² : 4% DCT ³ : 5%
72282090	47	Tonnes	Other alloy bars, silico-manganese steel	5% DCS: 4% DCT: 5%
72283010	70	Tonnes	Alloy bars, high alloy steel, flattened circles	5% DCS: 4% DCT: 5%
72283090 ⁴	41	Tonnes	Other alloy bars	5% DCS: Free DCT: Free
72286010	72	Tonnes	Other alloy bars, high alloy, flattened circles	5% DCS: 4% DCT: 5%
72286090	55	Tonnes	Other alloy bar	5% DCS: Free DCT: Free

These tariff classifications and statistical codes may include goods that are both subject and not subject to this investigation. The listing of these tariff classifications and statistical codes are for convenience or reference only and do not form part of the goods description. Please refer to the goods description for authoritative detail regarding goods the subject of this investigation.

Investigation Process

The investigation period is 1 October 2015 to 30 September 2016. I will examine exports to Australia of the goods during this period to determine whether dumping and has occurred. I will examine details of the Australian market from 1 July 2012 for injury analysis purposes.

Where the Assistant Minister for Industry, Innovation and Science and the Parliamentary Secretary to the Minister for Industry, Innovation and Science (the Parliamentary Secretary)⁵ is satisfied, as to goods of any kind, that:

¹ Source –Schedule 3 of the Customs Tariff Act 1995.

² 'DCS' denotes the rate for countries and places listed in Part 4 of Schedule 1 of the Customs Tariff Act 1995.

³ 'DCT' denotes the rate for Hong Kong, the Republic of Korea, Singapore and Taiwan.

⁴ Operative since 1 July 2015.

⁵ On 19 July 2016, the Prime Minister appointed the Parliamentary Secretary to the Minister for Industry, Innovation and Science as the Assistant Minister for Industry, Innovation and Science. For the purposes

- (a) the amount of the export price of the goods that have already been exported to Australia is less than the normal value of those goods, and the amount of the export price of like goods that may be exported to Australia in the future may be less than the normal value of the goods; and
- (b) because of that, material injury to an Australian industry producing like goods has been or is being caused or is threatened, or the establishment of an Australian industry producing like goods has been or may be materially hindered;

the Parliamentary Secretary may, by public notice, impose interim dumping duties.⁶

Where there are grounds for the Parliamentary Secretary to publish a dumping duty notice in respect of the goods, I will examine whether the trade in the dumped goods give rise to retrospective notices being published pursuant to section 269TN of the *Customs Act 1901* (the Act), and make recommendations to the Parliamentary Secretary accordingly.

Public Record

I must maintain a public record of each investigation. Documents included in the public record are available at www.adcommission.gov.au or can be examined at the Commission's office by contacting the Case Manager on the details provided below.

The public record will contain, among other things, a copy of the application, *Anti-Dumping Commission Consideration Report No. 384* and copies of all non-confidential submissions from interested parties. Letters and electronic mail are generally regarded as submissions if they contain information relevant to the investigation.

Lodgement of Submissions

Interested parties, as defined in subsection 269T(1) of the Act, are invited to lodge submissions concerning the publication of the dumping duty notice sought in the application, no later than the close of business on 16 February 2017, addressed to:

The Director
Operations 1
GPO Box 1632
Melbourne VIC 3001
Australia

or by email to operations1@adcommission.gov.au or by fax to +61 3 8539 2499.

Interested parties wishing to participate in the investigation must ensure that submissions are lodged by the due date. Interested parties should note that I am not

of this decision the Minister is the Parliamentary Secretary to the Minister for Industry, Innovation and Science.

⁶ In accordance with section 269TG of the *Customs Act 1901*.

obliged to have regard to a submission received after the date above if, to do so would, in my opinion, prevent the timely placement of the statement of essential facts on the public record.

Interested parties should also note that I am now directed to consider the matters set out in the *Customs (Extensions of Time and Non-cooperation) Direction 2015* in certain circumstances. This is available at www.legislation.gov.au.

Interested parties may reply to matters raised by other parties during the course of the investigation and in response to the statement of essential facts.

Interested parties claiming that information contained in their submission is confidential, or that the publication of the information would adversely affect their business or commercial interests, must:

- (i) provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests, or
- (ii) satisfy me that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

Submissions containing confidential information must be clearly marked "FOR OFFICIAL USE ONLY".

Interested parties must lodge a non-confidential version or a summary of their submission in accordance with the requirement above (clearly marked "PUBLIC RECORD").

Provisional Measures

Pursuant to section 269TD of the Act, I will make a preliminary affirmative determination (PAD) provided I am satisfied that there appears to be sufficient grounds for the publication of a dumping duty notice or there appears that there will be sufficient grounds for the publication of a dumping duty notice subsequent to the importation of the goods into Australia. This can occur no earlier than day 60 of an investigation.

In accordance with section 269TD of the Act, the Commonwealth may apply provisional measures, including the taking of securities under section 42 of the Act, in respect of interim dumping duty that may become payable on the goods, where a PAD has been made.

Where a PAD is not made 60 days after initiation of the investigation, the Customs (Preliminary Affirmative Determinations) Direction 2015 (the PAD Direction) directs me to publish a status report providing reasons why a PAD was not made. The PAD Direction is available on the Federal Register of Legislation website, www.legislation.gov.au.

Statement of Essential Facts

The dates specified in this notice for lodging submissions must be observed to enable me to report to the Parliamentary Secretary within the legislative timeframe. In accordance with section 269TDAA of the Act, a statement of essential facts will be placed on the public record by 30 April 2017, or by such later date as the Parliamentary Secretary may allow in accordance with section 269ZHI of the Act. The statement will set out the essential facts on which I propose to base my recommendations to the Parliamentary Secretary. Interested parties are invited to lodge submissions in response to the statement within 20 days of the statement being placed on the public record.

Submissions received in response to the statement of essential facts within 20 days of that statement being placed on the public record will be taken into account in completing the report and recommendation to the Parliamentary Secretary.

Report to the Parliamentary Secretary

A recommendation to the Parliamentary Secretary will be made in a report on or before 14 June 2017 (or such later date as the Parliamentary Secretary may allow under section 269ZHI), on the basis of the examination of exportations of the goods to Australia during the investigation period, unless I terminate the investigation.

The Parliamentary Secretary must make a declaration within 30 days after receiving the report, or such longer period as the Parliamentary Secretary considers appropriate.

Anti-Dumping Review Panel

Certain persons will have the right to seek review with the Anti-Dumping Review Panel in accordance with Division 9 of Part XVB of the Act of either a decision by me to terminate the investigation, or a decision of the Parliamentary Secretary to publish or not to publish a dumping duty notice after considering my report.

Anti-Dumping Commission Contact

Enquiries about this notice may be directed to the Case Manager on telephone number +61 3 8539 2477 or by email at operations1@adcommission.gov.au.

Dale Seymour
Commissioner
Anti-Dumping Commission

10 January 2017