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Director Operations 2 Anti-Dumping Commission GPO Box 1632 Melbourne VIC 3001

Dumping investigation into solid base angles exported from the Peoples Republic of China

Dear Director

This submission is made on behalf of Vincent Buda & Company (V) in response to the application by Galintel Pty Ltd (Galintel) for the publication of dumping duties on solid base angles exported from the Peoples Republic of China (China).

The purpose of this submission is to bring to the Anti-Dumping Commission's (the Commission) earliest attention a number of critical issues requiring clarification with respect to the scope of the goods subject to investigation and as a consequence the scope of the Australian industry producing like goods. Depending on the scope of goods covered by the goods description, Galintel's application may be invalid as it may not comply with the minimum required production volumes to meet the standing requirements set out in subsection 269TC(4) of the *Customs Act 1901* (the Act), and accordingly, not possess sufficient standing in its own right to be considered representative of the Australian industry producing like goods.

Therefore, Vincent Buda urges the Commission to carefully consider and canvass the issues raised in this submission and urgently seek further necessary and relevant information from other potential Australian producers of like goods, and views of relevant importers to allow for a proper determination of the scope of the goods under investigation and the corresponding composition of the Australian industry.

The scope of goods subject of the application

The goods subject of the application and subject to investigation as notified in ADN 2019/26 are:

Solid base angle, made from hot rolled coil steel, alloyed or non-alloyed, cold roll-formed, whether or not galvanised.

Goods specifically excluded from investigation include:

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T-bar, flat bar, perforated bar (e.g. Rendabar), and hot rolled sections; goods made from hot rolled coil steel that are subsequently subject to a further hot rolling process

A simple reading of the goods description confirms that products falling within the parameters of the investigation are all steel angles with a solid base that are cold formed from hot-rolled coil steel (HRC), irrespective of their alloy content or finish. The goods description contains no limitations on the physical or mechanical properties of the goods.

It is noted that the abbreviated description of the goods is 'solid base angles'. Vincent Buda is unfamiliar with this term. However, the application clarifies that the goods are also typically described as "Budabar" or "B-bar" or "ribbed angle Lintel" or "L-section" and are typically used as lintels. Therefore, Vincent Buda understands that the goods subject to investigation include all cold-formed steel angles with a solid base made from HRC, irrespective of their end-use application. For example, L-sections are commonly used in framing and general structural applications rather than in specific lintel applications. Vincent Buda therefore seeks clarification from the Commission as to whether the goods are confined cold-formed steel angles used in lintel applications only.

On the basis that the goods description does cover <u>all</u> cold-formed steel angles made from HRC, Vincent Buda seeks clarification of the industry producing like goods, given Galintel's response in its application that it '*is the sole Australian manufacturer of solid base angle as described in this application.*' This response seems at odds to readily available information which appears to confirm that other prominent Australian producers exist that are manufacturing like goods.

Although please note that Vincent Buda does not express the view that the following entity is an Australian producer of like goods. It merely notes that available evidence suggests that they may be producers of like goods and therefore form part of the Australian industry.

Australian Rollforming Manufacturers Pty Ltd (ARM) outlines it roll-forming capabilities on its website and highlights its "Duragal Angle" and "Duragal Lintel" range of goods (<u>http://www.ausrollform.com.au</u>). It is understood that these duragal profiles are manufactured using a cold-roll forming process and if so, would be categorised as like goods given that they appear to meet all of the physical characteristics outlined in the goods description. Vincent Buda urges the Commission to investigate and clarify the status of ARM as a producer of like goods and a member of the Australian industry.

In the event that the Commission is able to confirm that ARM is a producer of like goods, Vincent Buda raises the following queries which potentially weaken Galintel's claims, or worse, invalidate their application entirely.

Standing requirements

If ARM is confirmed to be a producer of like goods, then Galintel's claim of being the sole Australian producer is mistaken, and as such, the validity of the Commission's finding that the application is supported by a sufficient part of the Australian industry, as required by s.269TB(4) of the *Customs Act 1901* (the Act), is in doubt.

Subsection 269TB(4) of the Act requires that an application under s269TB(1) of the Act, must:

- (a) be in writing; and
- (b) be in a form approved by the Commissioner for the purposes of this section; and

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- (c) contain such information as the form requires; and
- (d) be signed in the manner indicated in the form; and
- *(e) in the case of an application under subsection (1)—<u>be supported by a sufficient part of the</u> <u>Australian industry</u>.*

Subsection 269TB(6) of the Act defines 'support' as:

persons (including the applicant) who produce or manufacture like goods in Australia and who support the application:

- a) account for more than 50% of the total production or manufacture of like goods produced or manufactured by that portion of the Australian industry that has expressed either support for, or opposition to, the application; and
- *b) account for not less than 25% of the total production or manufacture of like goods in Australia.*

Given the potential inaccurate statement by Galintel with respect to other Australian producers of like goods, Vincent Buda urges the Commission to make immediate contact with ARM to confirm its domestic production of like goods and ascertain whether the applicant is sufficiently representative of the Australian industry, as defined, for the application to comply with the mandatory requirements of subsection 269TB(4) of the Act. If the evidence confirms that Galintel does not account for more than 50% of total production, then the Commission is requested to cease or terminate the investigation immediately.

Volume of imports from China

It is noted that the Commission concludes in its consideration report that:

The Commission's analysis of ABF data indicates that the import volumes from China under the relevant tariff classification codes are in excess of 90 percent of overall imports (from all countries). The Commission therefore considers that import volumes of solid base angle from China are not negligible in terms of subsection 269TDA(4).

Vincent Buda queries the accuracy of the Commission's analysis and seeks clarification as to whether the goods forming part of the analysis were confined to lintel angles only or included all cold-formed angled steel sections made from HRC, including those of general structural applications which were not intended for lintel applications (ie similar to the duragal angles manufactured by ARM).

Whilst it may accurate that imports of lintel angles from China account for approximately 90% of total imports of lintel angles, this figure does not seem accurate when applied to all cold-formed steel angles made from HRC. Given this apparent significant discrepancy, Vincent Buda requests the Commission to re-assess the Australian Border Force import database and ensure that all cold-formed steel angles made from HRC are included in its analysis, in determining whether import volumes from China account for more than 3% of total imports.

Should the correct and accurate import data confirm that Chinese imports accounted for less than 3% of total imports during the investigation period, the Commission must terminate the investigation immediately.

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Yours sincerely

John Bracic