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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.Buda), in response to the submission by Galintel Pty Ltd (Galintel) dated 25 March 2019.

It is apparent from Galintel's submission that it is confused by and misunderstands the definition of 'like goods' for defining the Australian industry, and the overall importance of the goods described in its application for setting the scope of the investigation. It is particularly unfortunate that the loose and general wording of the goods description has resulted in potentially numerous unwilling and indifferent local producers from being dragged into the definition of the Australian industry.

The importance of accurately defining the goods is underscored in the Commission's application guidelines and neatly highlights the pitfalls from including '*a description that is too loose or ambiguous*':

### 1. Fully describe the imported product(s) the subject of your application:

- Include physical, technical or other properties.
- Where the application covers a range of products, list this information for each make and model in the range.
- Supply technical documentation where appropriate.

This question requires you to carefully describe the imported goods that you allege are being dumped and/or subsidised and causing injury. <u>Getting the definition right is important, as</u> <u>it will determine the scope of the investigation</u>. The Commission advises against just using a product description from an antidumping action of an overseas anti-dumping authority. The terms of that application would reflect that country's industry that may be dissimilar to the industry in Australia.

Although you should use ordinary meaning of a word to describe the goods, <u>you should be</u> <u>careful when using generalised commercial terms and language. Sometimes these have</u>

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# *different meanings for other industry participants that might lead to misunderstandings during an investigation.*

Please make sure that you identify all of the products allegedly being dumped and/or subsidised and that are causing you injury. The Commission will use your description to determine the breadth of the investigation and to do further research. If scientific terms, internationally recognised standards or specifications exist for the goods, they should be included in your description. This makes it easier to identify the particular goods that are the subject of your application, and to exclude other goods that are not.

*Care needs to be taken to ensure the description of the goods is sufficiently accurate. Once an investigation is initiated, it is not possible to alter the scope of the inquiry.* 

- *A description that is too narrow may not provide an effective remedy if measures are imposed.*
- Conversely, <u>a description that is too loose or ambiguous might expand the</u> <u>scope of the investigation to include other unaffected Australian industry</u> <u>participants, or to encompass other products that are not being dumped</u> <u>and/or subsidised</u>.
- Where a remedy is sought against a range of goods, but subclasses or particular models of goods are to be excluded from the investigation, these should be advised in the application along with a reason why they are not subject to the application.

## [Emphasis added]

It is apparent from Galintel's submission that its intention was to only target particular cold-rolled lintel angles, that it describes as 'solid base angles'. However, it is also apparent that the specific technical and physical characteristics that would define that particular subset of goods are not included in the current goods description.

Instead, the current goods description uses very broad terms and is only limited by the following features:

- steel angle profiles with a solid base;
- manufactured from HRC and cold roll-formed;
- whether alloyed or non-alloyed;
- whether or not galvanised.

As such, any products meeting these features must be used to determine dumping, and any locally manufactured products that have characteristics closely resembling these features must be considered local goods for the purposes of defining the Australian industry and assessing material injury. For example, all cold rolled steel angles made from HRC would be considered like goods, irrespective of the zinc coating mass, as the goods description simply notes that they can be galvanised or not. We highlight this point as Galintel seems to refer to this specific characteristic in distinguishing ARM's products as not like goods.

Further and critically, the goods description contains no descriptions or parameters relevant to the following characteristics:

- Australian Standards;
- surface coating thickness;
- surface finish
- dimensions of the sections;
- lengths of the sections;
- weight of the sections;
- profile of the sections, other than angled;
- Australian Standard of the galvanised coating;
- tensile strength of the steel; or
- end-use application.

Despite none of the characteristics listed above being part of the goods description, Galintel only refers to these characteristics in arguing that the other possible local manufacturers are not producers of like goods. It does however appear to acknowledge that each of the other possible local manufacturers of like goods, produce cold roll-formed angles from HRC steel with a solid base, in various galvanised and non-galvanised finishes.

It would appear that the confusion surrounding the goods and like goods stems from Galintel's reliance on the term 'solid base angles' to refer to a particular subset of lintels. As we noted in our earlier submission, this is not a familiar term across the industry and instead appears to be a product name used by Galintel to refer to its particular products. This view is supported by the clarification in the application that such products are also commonly referred to as "Budabar" or "B-bar" or "ribbed angle Lintel" or "L-section".

Given the obvious confusion surrounding the scope of goods and composition of the Australian industry, we urge the Commission to promptly clarify its understanding of the investigation's parameters. This clarification is critical so that V.Buda can better understand and address the material injury claims that stem from an expanded Australian industry beyond Galintel. For example, it may be that an expanded Australian industry shows no signs of suffering injury during the investigation period. Alternatively, injury to an expanded industry may be the result of significant imports from countries other than China.

Yours sincerely

John Bracic