



Anti-Dumping Notice No. 2019/70

Customs Act 1901

Customs (Preliminary Affirmative Determinations) Direction 2015

Power Transformers

Exported to Australia from the People's Republic of China

Investigation No. 507 into Alleged Dumping

Day 60 Status Report

Introduction

The purpose of this Status Report is to set out the reasons why I, Dale Seymour, Commissioner of the Anti-Dumping Commission (Commissioner) have not made a preliminary affirmative determination (PAD) under subsection 269TD(1) of the *Customs Act 1901* (the Act) on 17 May 2019, being, 60 days after the initiation of the investigation into the alleged dumping of certain power transformers (the goods) exported to Australia from the People's Republic of China (China).

This report and the findings contained herein reflect the status of the investigation at day 60. My findings may change as a result of further information, submissions, analysis or verification. Accordingly, I, at any time from day 60 onwards during the investigation, may make a PAD if I am satisfied of the requirements set out in subsection 269TD(1) of the Act.

Background

On 18 March 2019, I initiated an investigation into the alleged dumping of power transformers following an application by Wilson Transformer Company Pty Ltd (WTC) under section 269TB of the Act. Further details can be found in the public notice published on 18 March 2019 (refer to *Anti-Dumping Notice No. 2019/35* at www.industry.gov.au).

Under subsection 269TD(1) of the Act, I may make a PAD at any time, not earlier than 60 days after I initiate an investigation for the publication of a dumping duty or countervailing duty notice, if I am satisfied:

- that there appears to be sufficient grounds for the publication of such a notice, or
- that it appears that there will be sufficient grounds for the publication of such a notice subsequent to the importation into Australia of such goods.

In accordance with the *Customs (Preliminary Affirmative Determinations) Direction 2015* (the Direction), 60 days after the initiation of such an investigation I must either make a PAD or provide a Status Report outlining the reasons why I have not made a PAD.

Reasons for publishing a Status Report

In deciding whether to make a PAD on day 60 of this investigation, I have, in accordance with subsection 269TD(2) of the Act, had regard to:

- WTC's application;
- an on-site visit to WTC;¹
- submissions received by day 37 of the investigation, being 24 April 2019, concerning publication of the dumping duty notice in response to the initiation of the investigation;
- responses to importer, exporter and end-user questionnaires (noting that, at this stage of the investigation, the information and data contained within these responses has not been fully analysed and verified); and
- any other matters that I considered relevant.

Based on the above information considered at day 60 of the investigation, I am not making a PAD because I am not satisfied that, under subsection 269TD(1)(a) of the Act, there appears to be sufficient grounds for the publication of a dumping duty notice.

In particular, at the time of publication of this Status Report, the Anti-Dumping Commission (the Commission):

- is examining competing claims² as to whether the Australian industry as a whole³ has experienced material injury during the investigation period, and, if so, whether the material injury was caused by the allegedly dumped goods from China. The Commission is currently examining information and data in relation a number of tenders relating to the investigation period. The Commission has sought additional information from end-users to assist in this evaluation due to the nature of the procurement processes relating to the goods;
- is currently considering information provided by four participating importers and eight exporters of the goods from China, in relation to the investigation period⁴. Further evaluation of the information sourced from importers and exporters is necessary to support the preliminary dumping analysis; and
- is conducting a continuation inquiry in relation to a separate notice applying to the goods from the Republic of Indonesia, Taiwan and the Kingdom of Thailand.⁵ The Commission will be required to examine and remove the effects of the goods from these countries during the investigation period in assessing whether allegedly dumped goods from China have caused material injury to the Australian industry.

¹ A verification report will be published in due course.

² Refer to Investigation No. 507 electronic public record item nos. 4, 5 and 13, available at www.industry.gov.au.

³ It is noted that the application was made by WTC representing the Australian industry for like goods. The Commission is seeking additional information from other Australian producers of like goods to further examine injury and causation in relation to the goods.

⁴ The investigation period covers a period of three years, being 1 January 2016 to 31 December 2018.

⁵ Continuation inquiry no. 504. Further details are on the electronic public record, available at www.industry.gov.au.

Based on the above, at the time of making this Status Report, I am unable to establish that there appears to be sufficient grounds that dumped goods from China have caused material injury to the Australian industry producing like goods.

Other considerations

Relevant matters – subsection 269TD(2)(b)

In accordance with the Direction and for the purposes of subsection 269TD(2)(b) of the Act, I have considered the desirability of providing relief to an injured Australian industry as quickly as possible, where warranted. I have decided it is not warranted to make a PAD at this stage because I am not satisfied that there appears to be sufficient grounds to establish that the goods are dumped, or to establish a causal link between the dumped goods and material injury for the reasons outlined above.

Reconsideration of making a PAD – section 269TDAA

After publishing this report, I must reconsider whether to make a PAD at least once prior to the publication of the statement of essential facts (SEF) required under section 269TDAA of the Act. The SEF is due to be published on 8 July 2019 (or such later date as is allowed).⁶ Prior to the publication or in the SEF, I will advise whether I made a PAD subsequent to this Status Report and the reasons for my decision.

Anti-Dumping Commission Contact

Enquiries about this report may be directed to the case manager on telephone number +61 3 8539 2437 or at investigations3@adcommission.gov.au.

Dale Seymour
Commissioner
Anti-Dumping Commission

17 May 2019

⁶ The legislated due date is 6 July 2019, but as this falls on a Saturday, the effective due date is the following business day.