



## Consideration report number: 516

Application for a dumping duty notice

Submitted by: Galintel Pty Ltd

In relation to hot dip galvanised steel angle exported to  
Australia from China

24 June 2019

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# Abbreviations

Abbreviations/short form	Full reference
ABF	Australian Border Force
The Act	<i>Customs Act 1901</i>
AS/NZ	Australia and New Zealand Standard
China	the People's Republic of China
the Commission	the Anti-Dumping Commission
the Commissioner	the Commissioner of the Anti-Dumping Commission
CTMS	cost to make and sell
EPR	Electronic Public Record
FOB	Free on Board
Galintel	Galintel Pty Ltd (also referred to as the applicant)
GOC	Government of China
the goods	the goods the subject of the application
HRC	hot rolled coil
housing starts	dwelling unit commencements
Ingal	Ingal Building Systems
the Manual	Dumping and Subsidy Manual
the Material Injury Direction	<i>Ministerial Direction on Material Injury 2012</i>
the Minister	Minister for Industry, Science and Technology
NBI	Nepean Building and Infrastructure Pty Ltd
NSW	New South Wales
REP	Final Report
SG&A	selling, general and administrative
SEF	Statement of Essential Facts
steel angle	hot dip galvanised steel angle
Vincent Buda	Vincent Buda Company

# 1 Findings and recommendations

This report provides the result of the consideration by the Anti-Dumping Commission (the Commission) of an application dated 7 June 2019 under subsection 269TB(1) of the *Customs Act 1901* (the Act) by Galintel Pty Ltd (the applicant or Galintel) for the publication of a dumping duty notice in respect of hot dip galvanised steel angle (steel angle) that has been or is likely to be or may be imported into Australia from the People's Republic of China (China).<sup>1</sup>

Galintel alleges that the Australian industry for steel angle has suffered material injury caused by steel angle exported to Australia from China at dumped prices.

The legislative framework that underpins the making of an application and the Commission's consideration of an application is contained in Divisions 1 and 2 of Part XVB of the Customs Act.

## 1.1 Findings

In accordance with subsection 269TC(1), the Commission has examined the application and is satisfied that:

- the application complies with the requirements of subsection 269TB(4) (as set out in section 2.2 of this report)
- there is an Australian industry in respect of like goods (as set out in section 2.4 of this report)
- there appear to be reasonable grounds for the publication of a dumping duty notice in respect of the goods the subject of the application (as set out in sections 3, 4 and 5 of this report).

## 1.2 Recommendations

Based on the above findings, the Commission recommends that the Commissioner of the Anti-Dumping Commission (the Commissioner) decide not to reject the application and initiate an investigation to determine whether a dumping duty notice should be published.

The Commission further recommends that:

- exports to Australia during the period 1 January 2018 to 31 December 2018 be examined for dumping, and
- details of the Australian market from 1 January 2015 be examined for injury analysis purposes.

The Commission's Dumping and Subsidy Manual (the Manual) states that the investigation period specified by the Commission is generally the 12 months preceding the initiation date for an investigation and ending on the most recently completed quarter or month.<sup>2</sup>

The Commission notes that Galintel's current application is preceded by a previous application that it made on 4 December 2018 seeking the publication of a dumping duty notice in relation to solid base angle exported from China. On the basis of Galintel's previous application, on 26 February 2019 the Commission initiated

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<sup>1</sup> All legislative references in this report are to the *Customs Act 1901* unless otherwise specified.

<sup>2</sup> Page 14, [the Manual](#).

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Investigation 501 with an investigation period from 1 January 2018 to 31 December 2018.<sup>3</sup> On 17 June 2019, the Commission ceased Investigation 501 as Galintel withdrew its application seeking the publication of a dumping duty notice.<sup>4</sup>

The Commission notes that the goods that are the subject of this current application are similar goods to the goods that were the subject of Investigation 501. The Commission considers that the initiation and pendency of Investigation 501 has potentially affected factors (such as export volumes and the export price of the allegedly dumped goods) that the Commissioner must have regard to in order to make findings regarding material injury to the Australian industry in relation to the current application. At this stage it is not possible for the Commission to conclude that Investigation 501 has had no effect on these factors.

The Commission therefore considers it prudent to retain 1 January 2018 to 31 December 2018 as the investigation period for this investigation.

If the Commissioner agrees with these recommendations, the Commissioner must give public notice of the decision (**Non-Confidential Attachment 1**) in accordance with the requirements set out in subsection 269TC(4).

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<sup>3</sup> EPR 501. [ADN 2019/26](#) refers.

<sup>4</sup> See Document No [25](#), EPR 501.

## 2 The application and the Australian industry

### 2.1 Lodgement of the application

#### 2.1.1 Legislative framework

The procedures for lodging an application are set out in section 269TB.

The procedures and timeframes for the Commissioner's consideration of the application are set out in section 269TC.

#### 2.1.2 The Commissioner's timeframe

Event	Date	Details
Application lodged & receipted by the Commissioner under subsections 269TB(1) and (5)	7 June 2019	The Commission received an application from Galintel which alleges that the Australian industry has experienced and may continue to experience material injury caused by steel angle imported into Australia from China at dumped prices.
Applicant provided further information in support of the application under subsection 269TC(2A)	11 June 2019	The Commission received further information in support of the application, which restarted the 20 day period for consideration of the application.
Consideration decision due under section 269TC(1)	1 July 2019	The Commissioner shall decide whether to reject or not reject the application within 20 days after the applicant provided further information.

Table 1: Application assessment timeline

### 2.2 Compliance with subsection 269TB(4)

#### 2.2.1 Finding

Based on the information submitted by the applicant, the Commission considers that the application complies with subsection 269TB(4).

#### 2.2.2 Legislative framework

Subsection 269TC(1) requires that the Commissioner reject an application for a dumping duty notice if, among other things, the Commissioner is not satisfied that the application complies with subsection 269TB(4).

#### 2.2.3 The Commission's assessment

The table below summarises the Commission's assessment of compliance with subsection 269TB(4).

Requirement for the application	Details
Lodged in writing under subsection 269TB(4)(a)	The applicant lodged in writing confidential and non-confidential versions of the application. The non-confidential version of the application can be found on the electronic public record on the Commission's website at <a href="http://www.adcommission.gov.au">www.adcommission.gov.au</a> .
Lodged in an approved form under subsection 269TB(4)(b)	The application is in the approved form (B108) for the purpose of making an application under subsection 269TB(1).

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Requirement for the application	Details
Contains such information as the form requires under subsection 269TB(4)(c)	The applicant provided: <ul style="list-style-type: none"> <li>• a completed declaration;</li> <li>• answers to all questions that were required to be answered by the applicant;</li> <li>• completed all appendices; and</li> <li>• sufficient detail in the non-confidential version of the application to enable a reasonable understanding of the substance of the information submitted in confidence.</li> </ul>
Signed in the manner indicated in the form under subsection 269TB(4)(d)	The application was signed in the manner indicated in Form B108 by a representative of the applicant.
Supported by a sufficient part of the Australian industry under subsection 269TB(4)(e) and determined in accordance with subsection 269TB(6)	Galintel claims to be the only Australian producer of steel angle. Based on the information that is available at this stage, the Commission considers that the application is supported by a sufficient part of the Australian industry under subsection 269TB(4)(e), and complies with the requirements of subsections 269TB(6)(a) and (b).
Lodged in the manner approved under section 269SMS for the purposes subsection 269TB(4)(f)	The application was lodged in a manner approved in the Commission’s instrument made under section 269SMS, being by email to an address nominated in that instrument. <sup>5</sup> The application was therefore lodged in a manner approved under subsection 269SMS(2).

**Table 2: Assessment of compliance with subsection 269TB(4)**

### 2.3 The goods the subject of the application

The table below outlines the goods as described in the application.

Full description of the goods the subject of the application
Hot dip galvanised steel angle, made from hot rolled coil steel, alloyed or non-alloyed, cold roll-formed, with a nominal thickness greater than 3.2 mm and not more than 12 mm, both legs greater than 75 mm (with the longest leg not greater than 250 mm), nominal length of 800 mm or greater, whether or not perforated.

**Table 3: Goods the subject of the application**

The table below outlines the further information that the applicant provided in relation to the goods and the tariff classifications the goods are generally classified to.

Further information
The subject goods are typically described as “solid base angle” (SBA), “Budabar”, “B-bar”, “R-bar” or “ribbed angle lintel” and are typically used as lintels. The goods are supplied in section sizes being nominally 100 mm x 100 mm or 150 mm x 100 mm ranging in length from 900 mm to 4,000 mm. Goods not covered by this application include T-bar, flat bar and hot rolled sections.

<sup>5</sup> *Form and manner of lodging and withdrawing applications relating to anti-dumping matters: Instrument under section 269SMS of the Customs Act 1901*, 23 November 2018.

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<b>Tariff classification (Schedule 3 of the Customs Tariff Act 1995)</b>				
<i>Tariff code</i>	<i>Statistical code</i>	<i>Unit</i>	<i>Description</i>	<i>Duty rate</i>
7216.61.00	57	Tonne	<u>Tariff Code</u> Angles, shapes and sections, not further worked than cold-formed or cold-finished <u>Statistical code</u> Obtained from flat-rolled products	5% DCS: Free
7308.90.00	64	Tonne	<u>Tariff Code</u> Structures (excluding prefabricated buildings of 9406) and parts of structures (for example, bridges and bridge-sections, lock-gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel – <b>Other</b> . <u>Statistical Code</u> Lintels, prepared for use with doors and windows	5% DCS:4% DCT:5%
7308.30.00	07	Tonne	<u>Tariff Code</u> Structures (excluding prefabricated buildings of 9406) and parts of structures (for example, bridges and bridge-sections, lock-gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel – <b>Doors, windows and their frames and thresholds for doors</b> . <u>Statistical code</u> Other	5% DCS:4% DCT:5%



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7228.70.00	12	Tonne	<u>Tariff Code</u> Other bars and rods of other alloy steel: angles; shapes and sections, of other alloy steel; hollow drill bars and rods of alloy or non-alloy steel – <b>Angles, shapes and sections.</b> <u>Statistical code</u> Other	5% DCS:4% DCT:5%
<b>Previous investigations</b>				
As noted at section 1.2 of this report, following an application from Galintel, on 26 February 2019, the Commission initiated Investigation 501 into the alleged dumping of solid base angle from China. Investigation 501 was discontinued after Galintel withdrew its application.				

**Table 4: Further information and tariff classifications**

The Commission is aware that some Australian importers of the goods appear to be importing the goods under tariff classification 7216 4000 (statistical code 33). The Commission notes that tariff classification 7216 4000 (statistical code 33) refers to “L or T sections, not further worked than hot-rolled, hot-drawn or extruded, of a height of 80 mm or more”. The goods as described in the application would not be classified to tariff classification 7216 4000 (statistical code 33).

## 2.4 Like goods and the Australian industry

### 2.4.1 Finding

The Commission is satisfied that there is an Australian industry producing like goods to the goods the subject of the application on the basis that:

- Galintel produces goods that are identical in all respects or have characteristics that closely resemble the goods the subject of the application; and
- the goods are wholly or partly manufactured in Australia.

### 2.4.2 Legislative framework

Subsection 269TC(1) requires that the Commissioner reject an application for a dumping duty notice if, among other things, the Commissioner is not satisfied that there is, or is likely to be established, an Australian industry in respect of like goods.

Like goods are defined under subsection 269T(1). Subsections 269T(1), 269T(2), 269T(3), 269T(4) and 269T(4A) are used to determine whether the like goods are produced in Australia and whether there is an Australian industry.

### 2.4.3 Locally produced like goods

The information provided by Galintel in its application indicates that it manufactures solid base angle, flats and T-bars as well as a proprietary range of lintels namely Cavi-T-Bar™, J-Bar™ and Rendabar® Angle (see **Non-Confidential Attachment A3.3**). The Commission notes that the goods that are subject to the application are angle profiles (that also meet the other requirements of the goods description). Galintel’s products that are not angle profiles (i.e. flats, T-Bars, J-Bar and Cavi-T-Bar) are not considered like goods to the goods subject to investigation.

Table 4 below summarises the Commission’s assessment of whether locally produced steel angle (i.e. solid base angle and Rendabar manufactured by Galintel)

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are identical to, or closely resemble, the goods the subject of the application and are therefore like goods. The assessment is based on the information provided by Galintel in its application and an onsite visit by Commission staff to Galintel's manufacturing facility in Coffs Harbour, New South Wales (NSW).<sup>6</sup>

Galintel advised in its application that it manufactures steel angle, galvanised, in accordance with Australia and New Zealand Standard (AS/NZ) 4680:2006, with an R3 durability rating in accordance with AS/NZ 2699:2002, and load tested in accordance with AS/NZ 1170:2002. It further advised that its locally manufactured steel angle is supplied in the following dimensions:

- 100 mm x 100 mm x 6 mm in lengths ranging from 0.9 m to 2.7 m; and
- 150 mm x 100 mm x 6 mm in lengths ranging from 1.8 m to 4.0 m.

Factor	The Applicant's claims	The Commission's assessment
Physical likeness	The goods made by Galintel possess the same physical dimensions as the imported goods have the same essential appearance as the imported goods, are of similar weight and strength and comply with the applicable AS/NZ Standards 4680:2006, 2699:2002 and 1170:2002.	<p>The application includes an extract from an importer publication describing the imported goods.<sup>7</sup> The Commission observes that the goods described in the extract are similar in specification to the locally manufactured goods.</p> <p>The Commission is satisfied that:</p> <ul style="list-style-type: none"> <li>• the goods the subject of the application and the goods produced by Galintel are physically alike in all practical aspects;</li> <li>• the locally produced goods and the imported goods meet the requirements of the same Australian standards; and</li> <li>• the imported goods and the locally produced goods are alike in appearance and supplied in similar dimensions and appear to be of similar strength.</li> </ul> <p>The Commission is satisfied that Galintel's claim regarding the physical likeness between the locally produced goods and the imported goods is reasonable.</p>

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<sup>6</sup> Document No [4](#), EPR 501.

<sup>7</sup> At section A-3 of the application

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<b>Factor</b>	<b>The Applicant's claims</b>	<b>The Commission's assessment</b>
Commercial likeness	<p>The domestically manufactured goods are sold via the same or similar distribution channels, to the same or similar customers on the Australian market, and therefore compete directly with the imported goods.</p> <p>The locally produced and imported goods compete primarily in the east coast markets of NSW, Victoria and Queensland. The market may be segmented as follows:</p> <ul style="list-style-type: none"> <li>• large building market i.e. the big project buildings, supplied through large resellers;</li> <li>• small building market i.e. small builders/ owner builders, home improvement contractors, supplied through distributors to smaller resellers such as hardware stores.</li> </ul> <p>In the large building market, the large resellers typically bid for supply contracts at fixed pricing over a period of time, typically 12 months. The large builders are very price sensitive and will switch resellers for better pricing. In the smaller building market, factors such as lead-time, stock availability, supplier location are important, though price is also an important element.</p>	<p>The information provided by the applicant indicates that:</p> <ul style="list-style-type: none"> <li>• close price competition exists in the Australian market between the imported goods and the Australian produced goods, and</li> <li>• participants (particularly in the large building market) are willing to switch between the locally produced goods and the imported goods based on price.</li> </ul> <p>The Commission is therefore satisfied of the reasonableness of the applicant's claims in relation to the commercial likeness between the goods the subject of the application and the locally produced goods.</p>
Functional likeness	<p>Both the Australian and imported goods have comparable or identical end-uses in the building and construction industry.</p> <p>The locally produced and imported goods are used in buildings to support brickwork over window, door and garage openings.</p>	<p>The Commission is satisfied that the imported good and the locally produced goods are functionally substitutable.</p> <p>The Commission is satisfied of the reasonableness of Galintel's claims regarding the functional likeness between the goods the subject of the application and the locally produced goods.</p>
Production likeness	<p>The goods manufactured by Australian industry are manufactured in a similar manner to the imported goods, using the same or similar raw materials to the imported goods. Galintel's production process is described at section 2.4.4 below.</p>	<p>Based on available information, the Commission is satisfied of the reasonableness of Galintel's claims in relation to the production likeness between the locally manufactured goods and the imported goods.</p>
<b>Commission's assessment</b>		
<p>Based on the above assessment, the Commission is satisfied that Australian made steel angle is "like" to the imported goods.</p>		

**Table 5: Like goods assessment**

#### 2.4.4 Manufacture in Australia

The table below summarises the Commission’s assessment of whether the like goods are wholly or partly manufactured in Australia and whether the like goods are therefore considered to have been manufactured in Australia.

<b>The Applicant’s claims</b>
<p>Galintel stated that it manufactures steel angle from Australian steel manufactured locally in Australia - hot rolled coil (HRC) is sourced locally (supplied by BlueScope Steel Limited), as is zinc used in galvanising (supplied by Sun Metals in Queensland). It summarised its manufacturing process as follows:</p> <ul style="list-style-type: none"> <li>• Receipt of steel coils from local manufacturer;</li> <li>• Uncoil and form through rollform machine;</li> <li>• Stack black bundled lintels into various sized packs;</li> <li>• Goods pass to pickling/pre-treatment process;</li> <li>• Goods placed onto trestles for drainage prior to loading onto jig;</li> <li>• Lintels loaded onto jigs;</li> <li>• Pickler moves loaded jigs into pre-flux prior to galvanising;</li> <li>• Jig is picked up by galvaniser and lintels are galvanised in kettle for required time to achieve specification;</li> <li>• Lintels are then quenched post galvanising;</li> <li>• Finished goods are subject to quality assurance and then bundled into designated packs for despatch to own and customer warehouses.</li> </ul> <p>Galintel provided a detailed production schematic at Confidential Attachment A-3.6 to its application. Galintel stated that the manufacturing process for its Rendabar product involves an additional hot rolling process before cold rolling.</p>
<b>The Commission’s assessment</b>
<p>The applicant has described its manufacture of steel angle using locally sourced HRC and zinc.</p> <p>The Commission inspected Galintel’s manufacturing facility at Coffs Harbour and observed the manufacturing processes undertaken by the applicant. Based on its observations, the Commission is satisfied that the like goods are wholly manufactured by the applicant in Australia and therefore like goods are considered to have been manufactured in Australia.</p>

**Table 6: Manufacturing in Australia**

#### 2.5 Australian industry information

The table below summarises the Commission’s assessment of whether Galintel has provided sufficient information in the application to analyse the performance of the Australian industry.

<b>Have the relevant appendices to the application been completed?</b>		
A1	Australian production	Yes
A2	Australian market	Yes
A3	Sales turnover	Yes
A4	Domestic sales	Yes
A5	Sales of other production	Not applicable
A6.1	Cost to make and sell (& profit) – Domestic sales	Yes
A6.2	Cost to make and sell (& profit) – Export sales	Not applicable
A7	Other injury factors	Yes

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<b>General administration and accounting information</b>		
Ownership	Galintel is ultimately owned by Nepean Building and Infrastructure Pty Ltd (NBI), via Ronald E Graham (Holdings) Pty Ltd. Non-Confidential Attachment A2.3 to the application is a copy of Galintel's current company extract with the Australian Securities and Investment Commission.	
Operations	Galintel is a manufacturer of steel lintels. In addition to its lintel manufacturing facility at Coffs Harbour NSW, NBI operates a hot rolling mill at Yagoona, NSW that supports downstream manufacturing activities at Coffs Harbour by transforming coil steel into multi-rib sections. The rolling mill also undertakes toll slitting of hot rolled coil.	
Financial year	Galintel's financial reporting period is 1 July to 30 June.	
Audited accounts	Galintel provided consolidated audited financial statements for NBI and its controlled entities for the 2015/2016, 2016/17 and 2017/18 financial years.	
Profit and loss statements	Galintel provided copies of its internal reports representing its business activities for December 2017, March 2018, June 2018, September 2018 and December 2018.	
<b>Production and sales information</b>	<b>Cost to make and sell information</b>	<b>Other injury factors</b>
Galintel has provided detailed production and sales information for the period 1 January 2018 to 31 December 2018.	Galintel has provided detailed cost to make and sell (CTMS) information for the period 1 January 2018 to 31 December 2018.	Galintel has provided data in relation to other injury factors for the period 1 January 2018 to 31 December 2018.
<b>The Commission's assessment</b>		
Based on the information in the application, the Commission is satisfied that there is sufficient data on which to analyse the performance of the Australian industry for the purposes of this report. The analysis in chapters 3, 4 and 5 have relied on the data submitted in the application. As noted at section 1.2 of this report, the proposed injury analysis period is from 1 January 2015 and the proposed investigation period is from 1 January 2018 to 31 December 2018.		

**Table 7: Sufficiency of Galintel's application data**

### 2.5.1 Australian market for steel angle

Galintel states that the Australian market for steel angle is primarily in NSW, Victoria and Queensland (and to a lesser extent in South Australia, Northern Territory and Tasmania). Galintel claims that the market is driven by new residential housing construction and is subject to only minor seasonal fluctuation associated with the holiday period at the end of the year and again at Easter and extended periods of wet weather. It claims the market for steel angle has been developed by the Galintel business over several years.

The information provided by Galintel suggests that the choice of steel angle over alternatives like traditional angles (made from merchant bar) and T-bars (made from coil plate) will depend on the location and type of dwelling. For instance, residential housing close to the coast will typically require a galvanised product. In certain states like Western Australia, solid base angle are not used at all.

In its application Galintel provided a representation of its distribution channels for steel angle (**Non-Confidential Attachment A4.2** to the application refers).

It states that its sales are through the following channels:

- distributors who stock the product and sell to resellers;

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- resellers who sell direct to the end user, in this case typically builders. In many cases the resellers would have large contracts with residential builders; and
- hardware stores which sell to small end-user builders.

Galintel claims that for the larger building customers, competition is based on price as residential builders will look to maximise margins through reducing construction costs. For the smaller customers particularly hardware stores, a key factor is product availability.

### 2.5.1 Market size

In its application Galintel estimated the size of the Australian market for steel angle during its proposed injury analysis period based on:

- its own production volumes (Confidential Appendix A2 refers);
- market intelligence based on dwelling unit commencements (housing starts) data; and
- purchased export data.

Galintel's application claims there has been a sustained increase in the size of the Australian market between 2015 and 2018 averaging around 30 per cent. According to the application the volume of imported goods from China has increased over the period.

The Commission has examined the data provided by Galintel and considers that Galintel's estimate of the size of the market for steel angle is reasonable based on the limited information that is available to it. However the Commission notes that the purchased export data that Galintel relies on contains only one of the tariff codes under which the goods subject to the application are imported. In addition Galintel assumes that only products exported by a single identified entity are the goods the subject of this application.

The Commission has compared the information provided by the applicant to information from the Australian Border Force (ABF) import database and due to the limitations in the data used by the applicant (as identified above), has based its estimate of the total size of the market for steel angle on the ABF data. While the Commission received exporter and importer data in the course of Investigation 501, due to the variation in the description of the goods subject to investigation (as compared to that in Investigation 501), the Commission considers it preferable to rely on ABF data to estimate the size of the Australian market for steel angle.

The Commission notes that the ABF data includes a number of consignments under the relevant tariff classifications which are not the goods, as well as consignments for which the description of the goods is inconclusive as to whether or not they refer to the goods subject to investigation. In order to refine and filter the ABF data, the Commission used the following methodology:

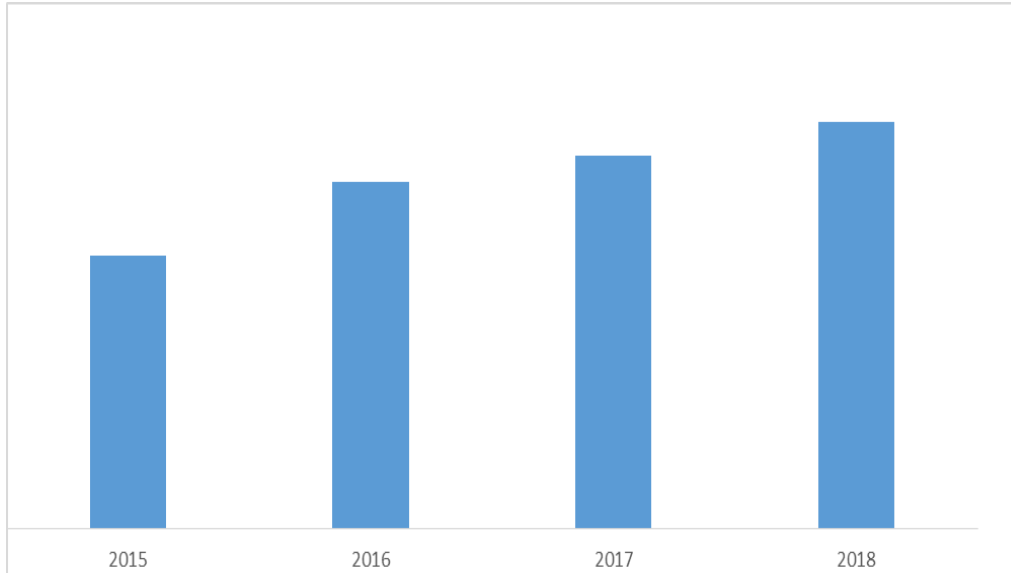
- data was extracted from the ABF import data base based on relevant tariff classifications and statistical codes;
- the data was filtered based on the goods description to exclude import transactions that appeared not to be the goods under consideration; and
- to exclude outlying data, the data was filtered to exclude line items where the Free on Board (FOB) price per tonne was outside a price range considered reasonable for steel angle (based on the applicant's prices).

The filtered ABF data at this stage indicated negligible imports of steel angle from countries other than China; from 2016 to 2018 these were below 2 per cent.

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Based on research conducted by the Commission in the course of Investigation 501, the ABF data was further filtered for imports by identified suppliers of the goods in the Australian market. The resulting data indicates imports from China only.

The market size based on the resulting data for imported goods and sales by Galintel is depicted at Figure 1 below.



**Figure 1: Size of the Australian market for steel angle in tonnes**

*Note: Throughout this report, a reference to a year is a reference to a calendar year.*

The Commission estimates that the Australian market for steel angle during the period 1 January 2018 to 31 December 2018 was approximately 12,000 (twelve thousand) tonnes.

The Commission notes that the Australian market for steel angle has increased in size each year from 2015. In 2017 the Australian market for steel angle grew by approximately 8 per cent (as compared to 2016), in 2018 it grew by a further 9 per cent (as compared to 2017).

The Commission anticipates that a more reliable estimate of the size of the Australian market will be made during the course of this investigation based on verified importer and exporter data. The Commission's analysis of the Australian market size for steel angle is contained in **Confidential Appendix 1**.

### 3 Reasonable Grounds – dumping

#### 3.1 Findings

Pursuant to subsection 269TC(1)(c), the Commission considers that there appear to be reasonable grounds to support Galintel’s claims that:

- the goods have been exported to Australia from China at dumped prices
- the estimated dumping margin for exports from China is greater than 2 per cent and therefore is not negligible, and
- the estimated volume of goods from China that appear to have been dumped is greater than 3 per cent of the total Australian import volume of goods and therefore is not negligible.

#### 3.2 Legislative framework

Subsection 269TC(1) requires that the Commissioner reject an application for a dumping duty notice if, among other things, the Commissioner is not satisfied that there appear to be reasonable grounds for the publication of a dumping duty notice.

Under section 269TG, one of the matters that the Minister for Industry, Science and Technology (the Minister) must be satisfied of in order to publish a dumping duty notice is that the export price of goods that have been exported to Australia is less than the normal value of those goods, i.e. that dumping has taken place (to an extent that is not negligible). This issue is considered in the following sections.

#### 3.3 Export price

##### 3.3.1 Legislative framework

Export price is determined by applying the requirements in section 269TAB taking into account whether the purchase or sale of goods was an arms length transaction under section 269TAA.

##### 3.3.2 The Applicant’s estimate

The table below summarises the approach taken by the applicant to estimate export prices and the evidence relied upon.

Country	Basis of estimate	Details
China	The price paid or payable by the importer to the exporter in arms length transactions – subsection 269TAB(1)(a).	The applicant commissioned an international trade data company to prepare export information for tariff classification 7308.90 for the period January 2017 to March 2018. The applicant states that data is only available until March 2018, after which the Chinese authorities ceased publishing export data relating to the exports of the goods. The applicant notes the tariff code for hot dip galvanised steel angle is titled “other” and there may be other goods included in this tariff code that are not the goods subject to this application. Despite this, the applicant considers the commissioned data reliable for establishing an export price and calculating a dumping margin, noting that there may be arm’s length issues.

**Table 8: Applicant’s export price estimate**



### **3.3.3 The Commission's assessment**

As described at section 2.5.1 of this report, the Commission filtered ABF data for imports by identified suppliers of the goods in the Australian market based on information gathered during Investigation 501. The Commission calculated a weighted average FOB export price based on the resulting data and compared it to the applicant's estimated average FOB export price.

The Commission accepts that an applicant can only provide information in its application that is reasonably available to it. The Commission's comparison of the applicant's export data for January, February and March 2018 (i.e. the three months for which the data provided by the applicant overlaps with the proposed investigation period) to the ABF data indicated an insignificant variance (less than 2 per cent) between the two sets of data. Accordingly, the Commission considers that the applicant's estimates and calculations of steel angle export prices exported from China are reasonable for the purposes of the application. However, the Commission notes that the data used by the applicant covers only three months of the proposed investigation period.

As mentioned previously in this report, the Commission received information in the course of Investigation 501, including responses to exporter questionnaires. However there are gaps in that data, which is also unverified at this stage.

Due to these limitations, the Commission has relied on ABF data to calculate an export price.

The Commission's consideration of the applicant's calculation of the export price and the Commission's calculation of an export price are at **Confidential Appendix 2**.

## **3.4 Normal value**

### **3.4.1 Legislative framework**

Normal value is determined by applying the requirements in section 269TAC taking into account whether:

- the purchase or sale of the goods was an arms length transaction under section 269TAA;
- the goods were sold in the ordinary course of trade under section 269TAAD;
- there has been an absence or low volume of sales of like goods in the country of export; and
- whether the situation in the market of the country of export is such that sales in that country are not suitable for determining normal value under subsection 269TAC(1).

### **3.4.2 The Applicant's estimate**

The table below summarises the approach taken by the applicant to estimate normal values and the evidence relied upon.

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Country	Basis of estimate	Details
China	<p>The applicant states that normal values for the goods sold in China are artificially low due to Government of China (GOC) influence on the key raw material of the goods- HRC. As normal values cannot be determined under subsection 269TAC(1), the applicant has constructed normal values in accordance with subsection 269TAC(2)(c).</p>	<p>The applicant claims that it does not have access to domestic selling prices or production costs for hot dip galvanised steel angle in China.</p> <p>The applicant relied on data from a subscription service to compare the selling prices of HRC from China, Japan, Korea and Taiwan and concluded that Chinese HRC prices were on an average 17.8 per cent below the HRC prices in Japan, Korea and Taiwan. It concluded that this contrast in prices confirms that Chinese domestic selling prices for HRC are artificially low.</p> <p>The applicant calculated normal values for Chinese producers using an average of domestic selling prices for HRC sold in Japan, Korea and Taiwan from 1 July 2017 to September 2018. The average HRC prices were calculated on a quarterly basis and included the applicant’s production costs for the goods over the nominated period.</p> <p>The applicant used its own costs to determine selling, general and administrative (SG&amp;A) expenses for Chinese producers.</p> <p>The applicant calculated a level of profit based on its own profit achieved from 1 October 2016 to 30 September 2017.</p> <p>Galintel acknowledges that its constructed normal values are at the ex-factory level and thus adjustments to normal value are required for the inland freight component and port loading and handling fees but states that it does not have information on the amounts for these adjustments.</p>

**Table 9: Applicant’s normal value estimate**

**3.4.3 Market situation claims**

Galintel claims that a particular market situation exists for steel angle in China as the domestic selling prices for the goods is artificially low due to GOC influence on the key raw material input HRC. The applicant cited previous investigations<sup>8</sup> involving Chinese exports to Australia where the key raw material input was HRC.

The Commission has found in previous investigations that the cost of HRC as an input into the production of certain steel products did not reasonably reflect competitive market costs within the meaning of subsection 43(2) of the *Customs (International Obligations) Regulation 2015* due to GOC influence.<sup>9</sup> In those cases the Commission replaced the HRC costs in constructing normal values.

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<sup>8</sup> The applicant cites the following investigations: Investigation 177 (Hollow Structural Sections), Investigation 190 (Galvanized and Aluminum Zinc Coated Steel), Investigation 203 (Hollow Structural Sections), Investigation 379 (Hollow Structural Sections), Investigation 456 & 457 (Galvanized and Aluminum Zinc Coated Steel) and Investigation 441 (Steel Pallet Racking)

<sup>9</sup> See for instance Final Report (REP) 456 (Document 18, EPR 456), REP 457 (Document 30, EPR 457), REP 379 (Document 70, EPR 379), REP 203 (Document 13, EPR 203), REP 190 (Document 142, EPR 190) and REP 177 (Document 416, EPR 177)

The Commission considers that there is a reasonable basis for Galintel to claim that a market situation exists for steel angle in China based on GOC influenced distortions in the Chinese HRC market. The Commission notes that Galintel's application outlines certain facts, cites relevant information in support of its claims and draws reasonable conclusions as to how these factors may have affected Chinese domestic selling prices of steel angle.<sup>10</sup>

During the course of the investigation, the Commission will seek relevant information from Chinese exporters and the GOC in order to independently assess the applicant's market situation claims.

#### **3.4.4 The Commission's assessment**

In constructing a normal value under 269TAC(2)(c), the Commission needs to determine the cost of production or manufacture of the goods in the country of export.

As noted above the Commission considers that there is a reasonable basis for Galintel to claim that the cost of HRC as an input into the production of steel angles in China does not reasonably reflect competitive market costs. The Commission considers that Japanese HRC costs can be used as an appropriate proxy for the cost of HRC in the production of steel angles in China at this stage (noting that Japan is a country for which reliable relevant data can be obtained via subscription services and in which broadly similar conditions of competition exist).

The Commission considered the exporter questionnaire responses to Investigation 501 to ascertain whether the domestic costs information provided in the questionnaires could be used to determine normal values. The Commission notes that the information provided in these exporter questionnaires is unverified. Of the two exporter questionnaire responses received, only one reported domestic sales and provided costs. The costs reported did not appear to include labour costs.

As such, the Commission considers that normal value calculations based on HRC costs from Japan and the applicant's fixed and variable manufacturing costs, SG&A and profit are reasonable at this stage.

As the applicant's normal value estimates are for the periods July 2017 to September 2018, the Commission has calculated a normal value for the quarter October to December 2018 based on the applicant's methodology, using the HRC costs for Japan from an international trade data company and the applicant's costs.

The applicant's calculation of normal value and the Commission's assessment are contained in **Confidential Appendix 3**.

### **3.5 Dumping margins**

#### **3.5.1 Legislative framework**

Dumping margins are determined in accordance with the requirements of section 269TACB.

Dumping margins and dumping volumes cannot be negligible, otherwise the investigation is terminated. Whether the dumping margins and dumping volumes are negligible is assessed under section 269TDA.

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<sup>10</sup> Section B-3 of the application, pages 37 to 41.

**3.5.2 The Commission's assessment**

The table below summarises the dumping margin estimated by the applicant and dumping margin calculated by the Commission (based on normal values calculated as described at section 3.4.4 above and ABF data for export price). Dumping margins are expressed as a percentage of the export price. The table also indicates whether the Commission is satisfied that the dumping margin and volume of dumped goods are above negligible levels.

Country	The Applicant's estimate	The Commission's estimate
China	46.7%	33.0%

**Table 10: Dumping margin estimates**

The Commission is satisfied that the figures above demonstrate dumping margins that are not negligible.

A comparison of the applicant's dumping margin and the Commission's dumping margin calculations is at **Confidential Appendix 4**.

The Commission's analysis of ABF data indicates that import volumes of steel angle from China is greater than 3 per cent of the total Australian import volume of steel angle for the proposed investigation period and is therefore not negligible for the purposes of subsection 269TDA(4). The Commission's volume analysis is at **Confidential Appendix 1**.

## 4 Reasonable grounds – injury to the Australian industry

### 4.1 Findings

Pursuant to subsection 269TC(1)(c), having regard to the matters contained in the application, and to other information considered relevant, the Commission considers that there appear to be reasonable grounds to support the claims that the Australian industry has experienced injury in the form of:

- reduced market share;
- price suppression;
- loss of profits;
- reduced profitability;
- reduced employment;
- reduced return on investment; and
- increased inventory levels.

### 4.2 Legislative framework

Under section 269TG of the Act, one of the matters that the Minister must be satisfied of in order to publish a dumping duty notice is that the Australian industry has experienced material injury. This issue is considered in the following sections.

### 4.3 The Applicant's claims

Galintel claims that the Australian industry has been injured through:

- loss of sales volume;
- price suppression;
- reduced profits and profitability;
- reduced employment;
- reduced return on investment;
- reduced attractiveness to reinvest; and
- increased inventory levels.

Galintel states that the injury from dumping commenced in 2015.

### 4.4 Approach to injury analysis

#### 4.4.1 Legislative framework

The matters that may be considered in determining whether the industry has suffered material injury are set out in section 269TAE.

#### 4.4.2 The Commission's approach

The Commission has had regard to the application and other information provided by Galintel, and to ABF import data to assess whether the Australian industry has been injured by allegedly dumped imports. The Commission has also had regard to the *Ministerial Direction on Material Injury 2012*.<sup>11</sup>

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<sup>11</sup> Available on the Commission's [website](#).

#### Size of the dumping margins

Under subsection 269TAE(1)(aa) the Minister may have regard to the size of the dumping margins worked out in respect of the goods exported to Australia. As set out in section 3.5 of this report, the dumping margin estimated by the Commission is not negligible.

#### Volume of dumped goods

The Commission's analysis of the ABF import database (as referred to in section 3.5) indicates that the volume of allegedly dumped goods from China is greater than 3 per cent of the total Australian import volume of steel angle, and therefore this is not a negligible volume.<sup>9</sup> The Commission's import volume analysis is at

**Confidential Appendix 1.**

### **4.5 Volume effects**

Galintel claims that injury from dumping commenced in 2015. It claims that:

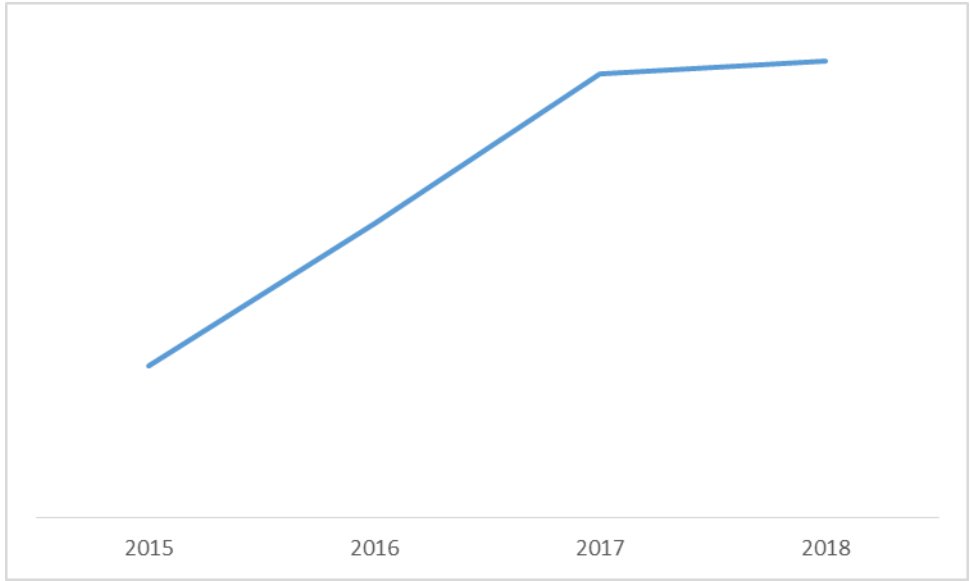
- in 2015, NBI (its parent company) acquired Ingal Building Systems (Ingal), an importer of steel angle from China, with the objective of displacing imported steel angle with locally manufactured steel angle;
- immediately prior to this, one of Galintel's largest customers Vincent Buda Company (Vincent Buda) abandoned purchasing steel angle from Galintel and commenced importing steel angle from China;
- Galintel lost sales that it would otherwise have made to Vincent Buda to Chinese imports;
- due to the acquisition of Ingal, in 2016 Galintel was able to increase its sales volumes;
- however, Galintel has been unable to capture sales volume in an expanding market in 2017 and 2018 due to price undercutting by dumped Chinese imports of steel angle.

#### **4.5.1 Sales volume**

Galintel provided its quarterly domestic sales and cost to make and sell (CTMS) data for the injury analysis period from 1 January 2015 to 31 December 2018.

Figure 2 below depicts the trend in Galintel's sales volumes during the injury analysis period. It indicates that overall Galintel's sales volumes have risen from 2015.

The Commission observes that while Galintel has claimed a loss in sales volumes, it is not claiming declining sales per se. Galintel claims that it achieved higher sales volumes since its acquisition of Ingal due to the displacement of steel angle previously imported by Ingal; however it has been unable to claim a larger share of an expanding market due to allegedly dumped imports from China.



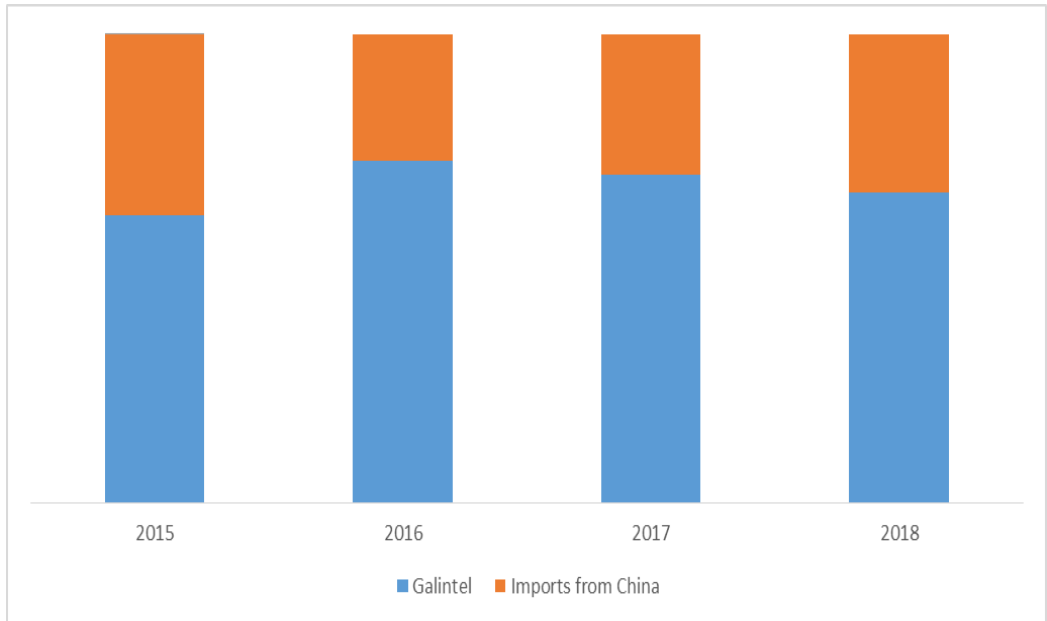
**Figure 2: Galintel's domestic sales volume (in tonnes)**

The Commission observes that the sales volume of the applicant has increased between 2015 and 2018, which correlates with the increase in size of the market (this is discussed further below) and is consistent with its claim that it increased sales following its acquisition of Ingal in 2015. The increase in volumes, however, flattens from 2017 onwards.

**4.5.2 Market share**

Galintel claims that it has been unable to capture sales volume growth in an expanding market (as reflected by the growth in housing starts) in 2017 and 2018.

Figure 3 below shows the proportion of Australian domestic sales and imports from China in the total Australian market over the injury analysis period.



**Figure 3: Market share (based on tonnes)**

The Commission observes from Figure 3 that in 2017 and 2018 the Australian industry has experienced a loss in market share to imports from China. As outlined in section 2.5.1, the Australian market for steel angle grew by 8 per cent in 2017 (as

compared to 2016), but as depicted in Figure 3 above the Australian industry's share of that market reduced by 3 per cent. In 2018, the Australian market for steel angle grew by 9 per cent (as compared to 2017), but the Australian industry's share of that market reduced by 4 per cent.

#### 4.5.3 Conclusion – volume effects

The Commission's analysis described above indicates that Australian industry has experienced a reduction in market share as it has been unable to capture sales volume in an expanding market.

During the proposed investigation period there has been an increase in the volume of imports of the goods from China, and these imports appear to have gained an increased share of the market.

Based on this assessment, there are reasonable grounds to support the claim that the Australian industry has suffered injury in the form of a loss of market share.

#### 4.6 Price effects

Price suppression occurs when price increases, which otherwise would have occurred, have been prevented. An indicator of price suppression may be the margin between prices and costs.

Galintel claims that it has experienced price injury from the dumped imports from late 2015, as Galintel's selling prices were impacted by the selling prices of an importer of the dumped goods. It claims that its CTMS remained steady from 2015 to 2016 but has increased in 2017 and 2018, primarily due to higher HRC prices. In 2017 and 2018, it claims it was injured due to allegedly dumped imports undercutting Galintel's prices and preventing it from recovering cost increases.

Figure 4 below depicts the movement in Galintel's unit CTMS and unit price during the period from 1 January 2015 to 31 December 2018 based on the CTMS data provided by Galintel.

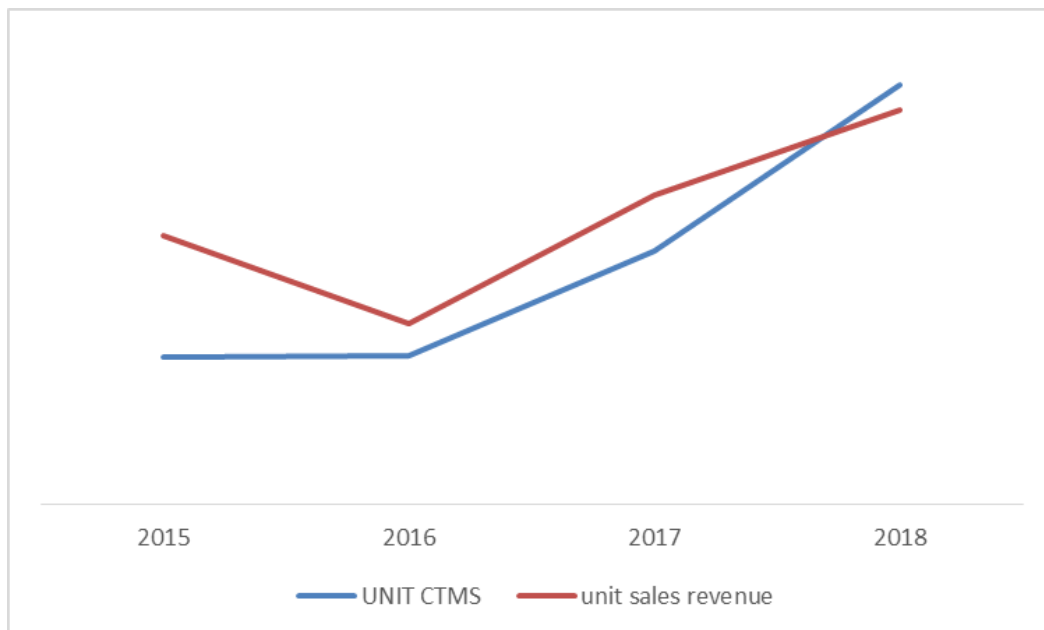


Figure 4: Galintel's unit CTMS and unit price

The analysis depicted at Figure 4 is supportive of Galintel's claims of price suppression in 2018. It indicates that between 2017 and 2018, the margin between Galintel's unit CTMS and unit price reduced and that in 2018 Galintel's unit price was



less than its unit CTMS. The Commission’s analysis of price effects is at **Confidential Appendix 1**.

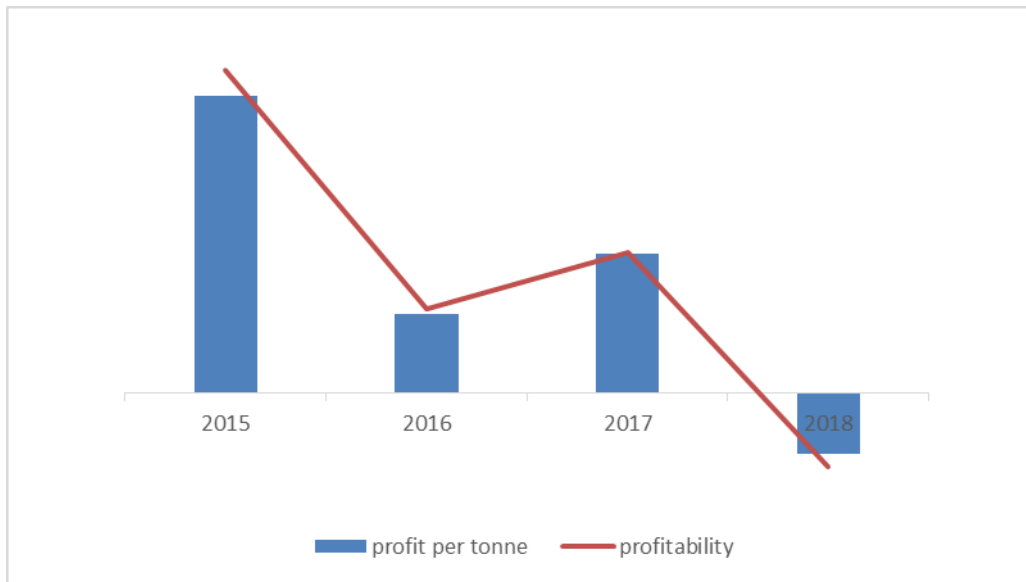
**4.6.1 Conclusion – price effects**

Based on the assessment described above, the Commission considers that there are reasonable grounds to support the claim that Galintel has suffered injury in the form of price suppression. The Commission notes that Galintel has not claimed injury in the form of price depression and the increase in its unit sales revenue over the injury analysis period does not indicate injury due to price depression.

**4.7 Profit and profitability effects**

Galintel claims that its selling prices were impacted from late 2015 by the selling prices of an importer of allegedly dumped goods. It claims that due to the acquisition of Ingal it was able to reduce costs through higher production and sales volumes, and was able to achieve modest levels of profit in 2015. It claims that following a decrease in profit in 2016, it experienced an increase in 2017 (although not to 2015 levels) as it experienced increased sales volumes and the capacity utilisation of Galintel’s Coffs Harbour facility improved. It claims that in 2018 its unit profit has declined as it experienced price undercutting and was unable to pass on higher production costs. It claims that its profitability declined into negative profitability during 2018 due to the impact of the alleged dumping on its selling prices for steel angle.

Figure 5 below depicts Galintel’s unit profit per tonne and profitability between January 2015 and December 2018 based on its CTMS data. The results of the analysis are consistent with Galintel’s claims that it has experienced a decline in profit and profitability in 2018. The Commission’s analysis of profits and profitability is at **Confidential Appendix 1**.



**Figure 5: Galintel’s unit profit and profitability**

**4.7.1 Conclusion – profit and profitability effects**

Based on the above analysis, the Commission consider that there are reasonable grounds to support Galintel's claims that it has experienced injury in the form of reduced profits and reduced profitability in 2018.

**4.8 Other injury factors**

Galintel completed Confidential Appendix A7 as part of its application. It claimed injury in the form of a decline in return on investment, reduced employment levels and increased inventory levels. The data provided by Galintel indicated a decline in the return on investment, reduced employment levels in 2018 (as compared to 2016 and 2017) and increased inventory levels in 2018 (as compared to 2015 and 2016).

**4.8.1 Conclusion – other injury factors**

The data provided by Galintel indicates that it experienced a decline in the return on investment, reduced employment levels and increased inventory levels in 2017. A further assessment of these (and other factors) as they specifically relate to the goods will be conducted during the course of the investigation.

## 5 Reasonable grounds – causation factors

### 5.1 Findings

Having regard to the matters contained in the application, and to other information considered relevant, the Commission considers that there appear to be reasonable grounds to support the claims that the Australian industry has suffered injury caused by dumping, and that the injury caused by dumping is material.

### 5.2 Cause of injury to the Australian industry

#### 5.2.1 Legislative framework

Under section 269TG of the Act, one of the matters that the Minister must be satisfied of in order to publish a dumping duty notice is that the material injury suffered by the Australian industry was caused by dumping. This issue is considered in the following sections.

Matters that may be considered in determining whether the Australian industry has suffered material injury caused by dumped or subsidised goods are set out in section 269TAE.

### 5.3 The Applicant's claims

The table below summarises the causation claims of the applicant:

Injury caused by dumping
<p>Galintel claims that it has been impacted by imports of steel angle from China following the shift by one of its large customers, Vincent Buda, to sourcing from China in 2015.</p> <p>Galintel claims that it lost the sales volumes that it previously supplied to Vincent Buda when Vincent Buda began sourcing steel angle from China. However, in 2015 it also acquired a competitor in the market (Ingal) that sourced from China and it replaced the steel angle imported by Ingal with its own domestically produced goods. Because of this it was able to increase its sales volume and, through higher sales and production volumes, it was able to reduce its costs. In 2016 and 2017 it was able to achieve a level of profitability (though not to levels achieved in 2015).</p> <p>Galintel claims it has suffered margin reductions across its sales due to Vincent Buda selling dumped imports of steel angle into the Australian market at a time when HRC prices increased substantially.</p> <p>Galintel has not been able to raise its selling prices to recover cost increases in 2018 and this has adversely affected its profit and profitability in 2018.</p> <p>Galintel has not been able to capture anticipated growth in sales volumes that was expected in 2017 and 2018 with the increase in housing starts. Galintel's sales volume has been retarded due to price undercutting from dumped Chinese steel angle.</p>
Injury caused by other factors
<p>Galintel states that it considers that no other factors contributed to the injury experienced by Galintel.</p>

Table 11: Applicant's injury claims

#### 5.3.1 Volume injury

Galintel's claims in relation to volume injury that it experienced due to the allegedly dumped goods are summarised at section 4.5 of this report. Galintel claims that demand in the Australian market for steel angle is linked to housing starts and building activity. It claims that the market has expanded across the injury analysis period and while it has improved sales volumes due to replacing steel angle imported by Ingal with its domestically produced goods, it has not captured the anticipated growth in sales volume that was expected in 2017 and 2018. It claims that Vincent

Buda supplies dumped steel angle into the NSW building market specifically targeting large home projects and, because of this, it has not been able to gain a fair share of the NSW large home building market.<sup>12</sup>

Galintel has stated that the market for steel angle is driven by new residential housing construction which over the last few years has been buoyant. In support of its claims Galintel provided housing starts statistics published by the Housing Industry Association. An extract from the housing starts data relied on by Galintel is at **Confidential Appendix 5**.

As demonstrated in Figure 1 of this report, the Commission's analysis supports a preliminary finding that the Australian market for steel angle has increased in size since 2015. As noted at section 4.5 of this report, in 2017 the Australian market for steel angle grew by 9 per cent (as compared to 2016), but the Australian industry's share of that market reduced by 4 per cent. In 2018, the Australian market for steel angle grew by 8 per cent (as compared to 2017), but the Australian industry's share of that market reduced by 3 per cent. The Commission observes that Galintel's decrease in market share during this period corresponds to an increase in market share for Chinese imports during the same period.

In an expanding market, Galintel could reasonably expect an increase in sales consistent with the growth in the market, which has not occurred. The Commission therefore considers that there are reasonable grounds to support Galintel's claims that it has been unable to capture greater sales volume in an expanding market due to the allegedly dumped Chinese imports.

### 5.3.2 Price injury

Galintel claims that it has experienced production cost increases (due to HRC and zinc cost increases) during the injury analysis period but has been unable to raise its selling prices due to price undercutting by imports of steel angle sourced from China. It claims that low pricing in the market results in Galintel's customers (resellers in particular) having to match the prices offered by suppliers of allegedly dumped steel angle, or lose volume. It claims that as a result it has been unable to pass on cost increases and in some cases has had to reduce its prices to 2016 levels to retain these customers.

Galintel's application provides examples of its inability to raise prices in relation to specific customers (see case studies 2 and 3 of the application).<sup>13</sup> Galintel also provided email correspondence to support its claim that the price suppression it experienced is due to the prices at which importers of allegedly dumped goods were supplying steel angle into the Australian market. **Confidential Appendix 6** is a summary of the information provided by Galintel in support of its claims of price suppression and the Commission's assessment of that information.

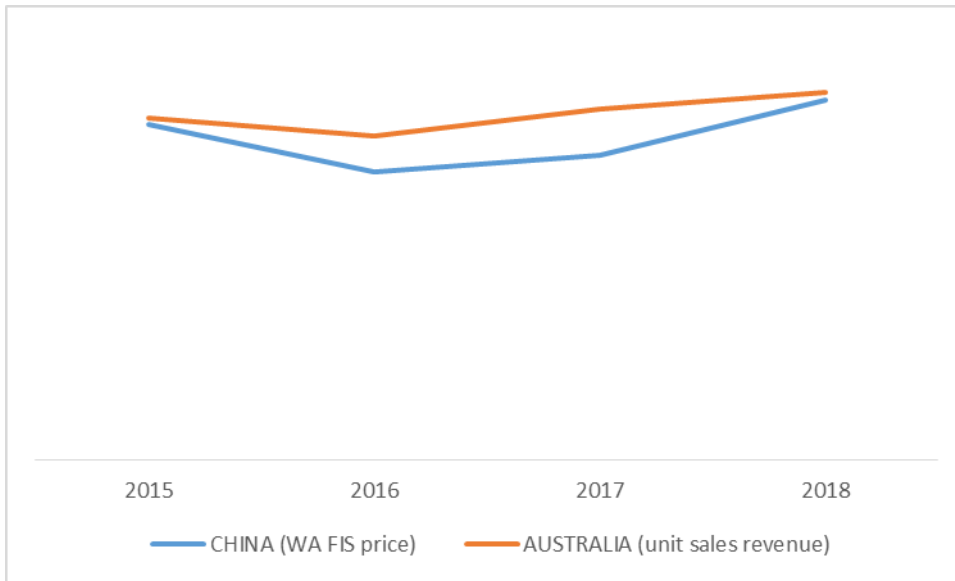
In order to test Galintel's claims of price undercutting, the Commission used ABF data to construct a weighted average FIS price for the imported goods. The value of the taxable importation (including any duty where applicable) was used, post-importation costs and a profit margin based on best available information were added to this and the resulting value was compared to Galintel's unit sales revenue.

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<sup>12</sup> See also Case Study 4 at section A9.2 of the application.

<sup>13</sup> Section A9.2 of the application.

The resultant analysis at Figure 6 below supports Galintel’s claims of price undercutting by Chinese steel angle imports. The Commission’s price undercutting analysis is at **Confidential Appendix 1**.



**Figure 6: Price undercutting**

During the course of the investigation, the Commission anticipates that it will obtain more detailed information to allow for a more precise comparison of export prices to the Australian industry’s prices.

Based on the above, the Commission considers that there are reasonable grounds to support Galintel’s claims that due to the prices of the allegedly dumped imports, Galintel has been unable to increase its selling price to reflect cost increases.

### **5.3.3 Profit and profitability**

The Commission notes that profit is a function of volume and price. Based on its findings regarding volume and price injury above at sections 5.3.1 and 5.3.2 of this report, the Commission considers that there are reasonable grounds to support Galintel’s claims that the loss of profits and profitability that it experienced in 2018 were caused by the allegedly dumped imports of steel angle.

### **5.3.4 Injury caused by factors other than dumping**

In its application, Galintel claims that no other factors impacted the Australian industry during the proposed investigation period. The Commission will review the market for steel angle during the injury analysis period and investigate any other factors that may have impacted the Australian industry producing like goods.

### **5.3.5 Conclusion – material injury caused by dumping**

Galintel states that the reduction in its profit and profitability in 2018 is considered significant when contrasted with its turnover on steel angle during 2018 and the level of profit that it achieved. It claims that steel angle is the single largest product that it manufactures. It claims the injury that it has experienced threatens its future viability if it is required to compete with unfairly priced imports.

The Commission considers that:

- the level of dumping indicated in the application and the Commission’s own calculations; and
- the preliminary assessment of reduced market share, price suppression and reduced profits and profitability;

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provide reasonable grounds to support a conclusion that exports of the goods from China at dumped prices has caused material injury to the Australian industry. The Commission notes that Galintel's application makes reference to injury in different market segments. As noted in the Manual any sectoral analysis of a market must be explicitly related back to the industry as a whole.<sup>14</sup> As Galintel states that it represents the whole of the Australian industry for steel angle the Commission is satisfied that there are reasonable grounds to support a conclusion of material injury to the domestic industry as a whole.

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<sup>14</sup> Page 21, [the Manual](#).

## 6 Appendices and attachments

<b>Appendices</b>	<b>Title</b>
Appendix 1	Analysis – volume, price, profit and profitability
Appendix 2	Export price – comparison and calculation
Appendix 3	Normal value – comparison and calculation
Appendix 4	Dumping margin calculations
Appendix 5	Housing starts data
Appendix 6	Assessment of price suppression information

<b>Attachments</b>	<b>Confidentiality</b>	<b>Title</b>
Attachment 1	Public	Public notice
Attachment 2	Public	Public version of application with Attachments
Attachment 3	Public	File note of Commission's visit to the applicant's production facility in Coffs Harbour