

16 June 2020

Ms Kathryn Marnell
Assistant Director, Investigations 1
Anti-Dumping Commission
GPO Box 1632
Melbourne Victoria 3001

Public File

Dear Ms Marnell,

Continuation Inquiry No. 532 – Hollow Structural Sections exported from the Kingdom of Thailand

1. Introduction

Orrcon Manufacturing Pty Ltd (“Orrcon”) is a manufacturer and member of the Australian industry producing hollow structural sections (“HSS”) in Australia. Orrcon was the applicant company that requested the continuation of measures applicable to HSS exported from the Kingdom of Thailand (“Thailand”) – refer ADN No. 2019/141.

Orrcon refers to the recently published Statement of Essential Facts (“SEF”) and makes the following comments.

2. Trade Remedies in the United States

Section 7.4.3 of the SEF states:

“Since the imposition of the USA’s section 232 trade remedies in 2018, Thailand’s exports to the USA declined after a peak in 2017, however its volumes remain high”.

This conclusion was based on data available for Harmonised System (“HS”) code 7306, being the broad classification of tubes, pipes and hollow profiles.

Orrcon has accessed [confidential trade statistics data source] HS data at the six-digit level for code 7306.30 (circular HSS) and 7306.61 (square, rectangular, and other non-circular HSS) for Thailand exports to the United States (“U.S.”). The export volume trend during the period prior to, and subsequent to, imposition of the section 232 trade remedy can be represented per the following chart and data table:

Confidential Chart 1: Thailand HSS Exports to the United States (Source: [REDACTED])

Confidential Table 1: Thailand HSS exports to the United States (Source: [REDACTED])

Orrcon respectfully submits that Thailand's U.S. exports are no longer high following imposition of the section 232 in March 2018, and that there has been a clear diversion away from this market. In the absence of continued measures, this displaced volume will be increasingly diverted to Australia as an attractive open-market destination for dumped and injurious Thailand excess HSS.

Orrcon also highlights with the Commission the significant volume increase of Thai-origin exports to the U.S. between 2016 and 2017, indicating a clear ability to export large volumes over a short period via established distribution links. This capability extends to Thailand's Australian channel to market, with the absence of measures likely to lead to a material increase in export volumes and a recurrence of dumping and material injury.

3. Conclusion and Recommendation

In consideration of the above, Orrcon requests the Commissioner to recommend to the Minister that the anti-dumping measures on HSS exported from Thailand not be allowed to expire on 19 August 2020, and that they be continued for a further five-year period. The continuation of the anti-dumping measures against all exporters from Thailand will ensure that the Australian industry does not again experience a recurrence of the material injury that the measures were intended to prevent.

If you have any questions concerning this submission, please do not hesitate to contact me on [REDACTED].

Yours faithfully,

[REDACTED]
Manager – Trade Measures