9 April 2020

The Director - Investigations 2
Anti-Dumping Commission
GPO Box 2013
Canberra ACT 2601

Email: investigations2@adcommission.gov.au

Dear Director,

Continuation Inquiry No. 546 into steel reinforcing bar exported from Korea, Singapore, Spain (except Nervacero S.A.) and Taiwan (except Power Steel Co. Ltd.)

Australian industry submission concerning proposed model control codes

InfraBuild (Newcastle) Pty Ltd (**InfraBuild Steel**)[1]; previously known as *Liberty Onesteel (Newcastle) Pty Ltd*; is a member of the Australian industry producing like goods to the goods the subject of this continuation inquiry and provides the following feedback concerning the model control codes (**MCCs**) proposed by the Anti-dumping Commission (**Commission**) in this inquiry:

1. MCC categories proposed in Anti-Dumping Notice No. 2020/020[2]

InfraBuild Steel supports the Commission's selection of the categories proposed for the MCCs as these categories are the characteristics most likely to affect price comparability between different models of rebar sold in the domestic markets of the exporting countries concerned and the models exported to Australia. Further comments relating to specific categories are included below.

1.1 Category 6 – Deformation pattern along length

Threaded bar refers to hot-rolled deformed bar that has a continuous thread along its length (to enable cutting and splicing in-situ). For those exporters who produce this product, the complexity of producing thread uniformity to tighter specifications (compared to conventional rebar) via a hot rolling process along the length of the bar, justifies a higher selling price than conventional rebar and as such should rightly be considered as a separate model.

1.2 Category 2 – Minimum yield strength specified by product Standard (Mega Pascals or "MPa")

The various Standards to which rebar is produced in the countries subject to this continuation inquiry all designate a variety of different "grades" of steel based on this key characteristic which defines the point at which the reinforcing bar will start to yield ie. undergo permanent plastic deformation. This

[1] https://connectonline.asic.gov.au/RegistrySearch/faces/landing/SearchRegisters.jspx?_adf.ctrl-state=15i3umbk6d_4 (accessed 9/04/2020)
[2] EPR 546 Folio No. 002 at p7

is a key consideration in the design of steel structures and forms the basis of selection by a customer. While grades having higher strength (higher minimum yield strength requirement) typically sell at a higher price point, the benefit to the customer is that less steel is typically required which means less processing or fabrication time, less handling etc. The exporter from Singapore, Natsteel, includes a range of benefits for using their Grade 600 rebar compared to their Grade 500 in their brochure[3]:

Benefits of using Grade 600 Steel Vs. Grade 500

Item	Description
Steel Savings	Potential to reduce steel reinforcement by up to 20% compared to Grade 500 steel
Manpower - Steel fixing / Installation	Up to 20% less workers are required to install / fix steel reinforcement onsite
Logistics	Up to 20% less trucks delivering reinforcements to site – frees up site space and saves crane, manpower & time
Site Crane	Handles up to 20% less steel and frees up crane time for other construction activities thereby speeding up construction
Concrete Savings	Reduction in structural element size is possible when used with appropriate grade of concrete and results in overall dead load being reduced
More usable space	More floor space is usable with column size reduction
Less formwork	Possible to reduce formwork needed for Columns and Beams due to member size reduction
Lighter foundations	Due to reduction in members size resulting in lighter super structure, foundation loads and cost can be reduced
Storage space	Space required for site storage of steel reinforcement can be reduced by up to 20%
Improved Safety	Site safety will be improved due to less material handling, steel fixing etc
Time reduction	Overall time savings can be accomplished by factoring in the earlier stated benefits
Cost reduction	Overall cost reduction can be achieved from reduced Material, Manpower, Construction Time etc
Environment	Reduced – Construction noise, Fuel consumption etc

InfraBuild Steel supports the sub-categories proposed by the Commission for this category to allow for the assessment of relative pricing of the various steel grades present in both the domestic markets of the exporting countries and that which is exported to Australia. Sub-categories B and C limits as defined are particularly important to allow for the assessment of pricing of grades with a 420MPa minimum yield strength (prevalent in Taiwan) against grades with 490MPa minimum yield strength which are considered better aligned on a price comparison basis with the 500MPa minimum yield strength grades sold in other countries and exported to Australia.

As in previous rebar investigations, InfraBuild Steel again cautions the Commission against accepting the argument that grades having different minimum yield strength requirements (eg. 400MPa and 500MPa) should be grouped together because exporters' cost systems aren't able to differentiate between goods made from the same or similar grades of billet. Even though rebar produced via a quench and self-temper (water cooling) method may require only minor adjustments to cooling water settings (ie. no significant additional cost) to produce a higher strength rebar from the same billet, the higher strength rebar is still likely to be offered at a higher price to customers given the benefits it delivers (see table above).

[3] https://www.natsteel.com.sg/downloads/natsteel_rebars.pdf

2. Potential additional tariff codes for rebar classification

InfraBuild Steel would like to bring to the Commission's attention that additional tariff codes, not included in the list of tariff subheadings of Schedule 3 to the Customs Tariff Act 1995 provided in the Notice[4], may contain imports of the goods the subject of this inquiry.

A recently published Affirmative Preliminary Determination of Circumvention of the Antidumping Duty Order by the United States in relation to Steel Concrete Reinforcing Bar [redacted][5] [redacted] The petitioner in that investigation further clarified that the straight length of rebar has been modified [redacted] [*discloses operationally sensitive information to any compliance or enforcement activity*] It is InfraBuild Steel's view that rebar that has been modified in this way continues to meet the description of the goods under consideration in this inquiry.

Based on a high level review of import data, InfraBuild Steel requests that the Commission review import data for statistical tariff codes appearing under tariff codes [redacted] to assess whether goods the subject of this inquiry from one or more export sources have been imported against these tariff classes. If so, these volumes must be included in the inquiry.

Please do not hesitate to contact your InfraBuild Steel representative with any questions.

FOR AND ON BEHALF OF

THE AUSTRALIAN INDUSTRY PRODUCER

[4] EPR 546 Folio No. 002 at p2

[5] [redacted]