



Investigation No. 550

Precision pipe and tube steel

Exported to Australia from the People's Republic of China, the Republic of Korea, Taiwan and the Socialist Republic of Vietnam

ISSUES PAPER

Goods under consideration and like goods

1 Purpose

The Anti-Dumping Commission (Commission) is currently investigating the alleged dumping and subsidisation of precision pipe and tube steel (the goods, or the goods under consideration) to Australia from the People's Republic of China (China) and the Socialist Republic of Vietnam (Vietnam), and the alleged dumping of the goods from the Republic of Korea (Korea) and Taiwan.¹

Interested parties have sought clarification regarding the scope of the goods under consideration and like goods. Before reaching any conclusion on this matter, the Commission invites submissions from interested parties on the issues discussed in this paper.

Interested parties are invited to provide submissions no later than **31 July 2020**. The Commission will take into account submissions received by this date in preparing the statement of essential facts for this investigation.

Confidential submissions must be clearly marked accordingly and a non-confidential version of any submission is required for inclusion on the Public Record. A guide for making submissions is available on the Commission's website.² Submissions should be emailed to investigations3@adcommission.gov.au.

2 Goods description in the Initiation Notice

The initiating notice (ADN No. 2020/030) described the goods as:

Certain electric resistance welded pipe and tube made of carbon steel, whether or not including alloys, comprising circular, rectangular and square hollow sections in metallic coated and non-metallic coated finishes. Metallic

¹ The Commission initiated this investigation on 31 March 2020. Item 3 on the public record refers.

² [Submissions to the Anti-Dumping Commission](#)



finish types for the goods include galvanised and aluminised. Non-metallic finishes include hot-rolled and cold-rolled.

Sizes of the goods are, for circular products, those equal to or less than 21 millimetre (“mm”) in outside diameter. Also included are air heater tubes to Australian Standard (AS) 2556, up to and including 101.6 mm outside diameter.

For rectangular and square products, those with a thickness of less than 1.6 mm [emphasis added] (being a perimeter up to and including 260 mm).

Included within the goods are end-configurations such as plain, square-faced and other (e.g. threaded, swaged and shouldered).

The goods include all electric resistance welded pipe and tube made of steel meeting the above description of the goods (and inclusions), including whether the pipe or tube meets a specific structural standard or is used in structural applications.

Oval and other shaped hollow sections which are not circular, rectangular or square, are excluded from the goods.

The goods are generally, but not exclusively, classified to the following tariff classifications in Schedule 3 to the *Customs Tariff Act 1995*:

- 7306.30.00 (statistical code 30);
- 7306.50.00 (statistical code 45); and
- 7306.61.00 (statistical code 21).

3 Issue – Description and scope of the goods under consideration

Submissions from interested parties³ have identified that the goods description (particular underlined above for emphasis) may capture other goods and like goods, specifically hollow structural sections (HSS). Exports of HSS to Australia from China, Korea and Taiwan are already subject to anti-dumping and countervailing measures. The goods description for HSS can be found at **Attachment 1**.⁴

For rectangular or square products, the goods description for Investigation No. 550 does not specifically state whether the reference to thickness is a reference to either “nominal thickness” or “actual thickness”. However, the goods description for HSS specifically excludes:

Precision RHS⁵ with a nominal thickness of less than 1.6mm [emphasis added]

³ Submissions can be viewed on the public record.

⁴ Further information about the existing measures can be found at the Commission’s [Dumping Commodity Register](#).

⁵ RHS refers to rectangular or square hollow sections.



Submissions to Investigation No. 550 have noted that nominal thickness is the basis for measuring the thickness of RHS under the relevant Australian Standard, AS 1163, and many RHS manufacturers record their production accordingly. The Commission also understands that sales and pricing are negotiated and supplied to Australian customers with a view to meeting the nominal thickness standard.

AS 1163 allows for a thickness tolerance of +/-10%. RHS with a nominal thickness of 1.6mm, for example, can have an actual thickness ranging from 1.44mm to 1.76mm, making it difficult for interested parties to accurately distinguish whether RHS of certain thicknesses should be classified as the goods under consideration or like goods.

Submissions have noted that should dumping and/or countervailing measures be imposed on the goods under consideration and like goods, it could be unclear which measures would be applicable to RHS with certain thicknesses, noting that only one measure can apply.

To assist in its consideration of the issues discussed above, the Commission invites views from interested parties on:

- whether you use nominal or actual thickness when selling, supplying, declaring or reporting on RHS (sold either in Australia or other markets which may include reference to the relevant standards in your domestic country) and any reasons for this;
- whether the thickness referred to in the description of the goods under consideration are read as nominal or actual; and
- whether there is a lack of clarity in classifying RHS of certain thicknesses.



ATTACHMENT 1

Goods description for HSS

The goods subject to the anti-dumping measures are:

Certain electric resistance welded pipe and tube made of carbon steel, comprising circular and non-circular hollow sections in galvanised and non-galvanised finishes. The goods are normally referred to as either CHS (circular hollow sections) or RHS (rectangular or square hollow sections). The goods are collectively referred to as HSS (hollow structural sections). Finish types for the goods include in-line galvanised (ILG), pre-galvanised or hot-dipped galvanised (HDG) and non-galvanised HSS.

Sizes of the goods are, for circular products, those exceeding 21 mm up to and including 165.1 mm in outside diameter and, for oval, square and rectangular products those with a perimeter up to and including 1277.3 mm; that may also be categorised according to minimum yield strength, the most common classifications being 250 and 350 mega Pascals (MPa).

The following categories of HSS are excluded from the goods:

- *conveyor tube made for high speed idler rolls on conveyor systems with inner and outer fin protrusions removed by scarfing (not exceeding 0.1 mm on outer surface and 0.25 mm on inner surface) and out of round standards (i.e. ovality) which do not exceed 0.6 mm in order to maintain vibration free rotation and minimum wind noise during operation;*
- *precision RHS with a nominal thickness of less than 1.6 mm; and*
- *air heater tubes to AS 2556.*