



*Customs Act 1901 – Part XVB*

## **ANTI-DUMPING NOTICE NO. 2020/109**

### **Hollow structural sections**

### **Exported from the Republic of Korea by HiSteel Co Ltd**

### **Initiation of a Review of Anti-Dumping Measures**

*Notice under section 269ZC(4) of the Customs Act 1901*

I, Dale Seymour, the Commissioner of the Anti-Dumping Commission, have initiated a review of the anti-dumping measures applying to certain hollow structural sections ('HSS', or 'the goods') exported to Australia from the Republic of Korea (Korea) by HiSteel Co Ltd (HiSteel). The review will examine whether the anti-dumping measures are no longer warranted.

#### **The goods**

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 inline galvanised (ILG), pre-galvanised, hot-dipped galvanised (HDG) and non-galvanised HSS.

Sizes of the goods are, for circular products, those exceeding 21 millimetres (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. Categories of HSS excluded from the goods are conveyor tube; precision RHS with a nominal thickness of less than 1.6 mm and air heater tubes to Australian Standard (AS) 2556.

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.

## PUBLIC RECORD

The applicant at the time of the original investigation supplied additional information to clarify the scope of the goods description, indicating that all HSS regardless of finish is included. Finish types for the goods include in-line galvanised, pre-galvanised, hot-dipped galvanised and non-galvanised HSS. Non-galvanised HSS is typically of painted, black, lacquered or oiled finish coatings. CHS with other than plain ends (such as threaded, swaged and shouldered) are also included.

HSS is generally produced to either the British Standard BS 1387 or the Australian Standard AS 1163 or international equivalent standards (including ASTM/JIS and KS). HSS can also be categorised according to minimum yield strength, the most common classifications being 250 and 350 mega Pascals (MPa). HSS may also be referred to as extra-light, light, medium, heavy or extra heavy according to its wall thickness. The goods include all electric resistance welded pipe and tube made of steel meeting the above description of the goods (and exclusions), regardless of whether or not the pipe or tube meets a specific structural standard or is used in structural applications.

### **Exclusions from the measures**

As a result of *Ministerial Exemption Instrument No 1* of 2016,<sup>1</sup> certain HSS is exempt from the anti-dumping measures due to a Tariff Concession Order<sup>2</sup> granted in respect of:

Tubes, square or rectangular, electric resistance welded, complying with Australian / New Zealand Standard 1163:2009, Grade C350L0 or C450L0, with a perimeter not less than 1050 mm and having either:

- a) silicon content plus 2.5 times the phosphorus content NOT greater than 0.09%;
- b) silicon content greater than 0.14% and NOT greater than 0.24%.

### **The current review**

The goods exported from Korea by HiSteel are generally classified in Schedule 3 to the *Customs Tariff Act 1995* as follows:

Tariff Subheading	Statistical Code	Description
7306		OTHER TUBES, PIPES AND HOLLOW PROFILES (FOR EXAMPLE, OPEN SEAM OR WELDED, RIVETED OR SIMILARLY CLOSED), OF IRON OR STEEL:
7306.30		Other, welded, of circular cross-section, of iron or non-alloy steel:
7306.30.00	<i>Exceeding 21 mm but not exceeding 60.3 mm external diameter:</i>	
	31	Wall thickness not exceeding 2.5 mm
	32	Wall thickness exceeding 2.5 mm but not exceeding 3.6 mm
	33	Wall thickness exceeding 3.6 mm
	<i>Exceeding 60.3 mm but not exceeding 114.3 mm external diameter:</i>	
	34	Wall thickness not exceeding 3.2 mm
	35	<i>Wall thickness exceeding 3.2 mm but not exceeding 4.5 mm</i>
	36	<i>Wall thickness exceeding 4.5 mm</i>
	37	<i>Exceeding 114.3 mm but not exceeding 165.1 mm external diameter</i>

<sup>1</sup> [Anti-Dumping Notice No. 2016/116](#) refers, following exemption inquiry EX0044.

<sup>2</sup> Available on the Australian Border Force [website](#).

## PUBLIC RECORD

7306.6	Other, welded, of non-circular cross-section	
7306.61.00	Of square or rectangular cross-section, of iron or non-alloy steel, not exceeding 279.4 mm perimeter:	
	21	Wall thickness not exceeding 2 mm
	22	Wall thickness exceeding 2 mm
	25	Exceeding 279.4 mm perimeter
7306.69.00	10	Of other non-circular cross-section
7306.90.00	12	Other

**Table 1: Generally used tariff classifications for HSS**

### **Background to the measures**

Anti-dumping measures with respect to Korea were initially imposed by public notice, on 3 July 2012, by the relevant Minister following consideration of *International Trade Remedies Branch Report No. 177*. As a result of the inquiry reported in *Anti-Dumping Commission Report No. 379*, these measures were continued for a further five years and (unless further continued) are due to expire on 2 July 2022.

### **The current review**

An application was lodged by HiSteel under section 269ZA(1) of the *Customs Act 1901* (the Act) for a review of the dumping duty notice in relation to the goods exported to Australia from Korea by HiSteel. The application requested that I review whether the anti-dumping measures applying to HiSteel Co Ltd are no longer warranted.

Following consideration of the application, I have decided not to reject it. Particulars of the reasons for the decision to undertake this inquiry are shown in *Consideration Report No. 567*, which has been placed on the public record.

The review will examine whether the measures are no longer warranted as they relate to HiSteel. In addition, the review will ascertain the variable factors relevant to HiSteel's exports for the period 1 October 2019 to 30 September 2020.

After concluding the review, I will recommend to the Minister that the dumping duty notice:

- i. remain unaltered; or
- ii. be revoked in its application to HiSteel; or
- iii. have effect in relation to HiSteel as if different variable factors had been ascertained.

### **Future Reviews**

Under section 269ZA(2), an application for a review must not be made earlier than 12 months after the publication of the notice implementing the original measure or the notice declaring the outcome of the last review. Once a notice declaring the outcome of this review is published (regardless of the outcome), an application for a review of measures in relation to the dumping duty notice that is the subject of this review cannot be made for a period of 12 months.

### **Public Record**

A public record must be maintained for this review. The public record must contain, among other things, a copy of all submissions from interested parties. Documents included in the public record may be examined on the Anti-Dumping Commission (Commission) website, [www.adcommission.gov.au](http://www.adcommission.gov.au).

### **Lodgment of submissions**

Interested parties, as defined by section 269T(1) of the Act, are invited to lodge written submissions concerning this review by no later than the close of business on **7 November 2020**, addressed to:

The Director, Investigations 1  
Anti-Dumping Commission  
GPO Box 2013  
Canberra ACT 2601,

or by email to: [investigations1@adcommission.gov.au](mailto:investigations1@adcommission.gov.au).

Interested parties wishing to participate in the review must ensure that submissions are lodged promptly. Interested parties should note that I am not obliged to have regard to a submission received by the Commission after the date mentioned above if to do so would, in my opinion, prevent the timely placement of the statement of essential facts (SEF) on the public record.

Interested parties claiming that information contained in their submission is confidential, or that the publication of the information would adversely affect their business or commercial interests, must:

- (i) provide a summary containing sufficient detail to allow a reasonable understanding of the substance of the information that does not breach that confidentiality or adversely affect those interests, or
- (ii) satisfy me that there is no way such a summary can be given to allow a reasonable understanding of the substance of the information.

Submissions containing confidential information must be clearly marked "OFFICIAL: Sensitive". Interested parties making submissions must also provide a non-confidential version for the public record (clearly marked "PUBLIC RECORD").

### **Statement of Essential Facts**

The dates specified in this notice for lodging submissions must be observed to enable me to report to the Minister within the legislative timeframe. A SEF will be placed on the public record by **19 January 2021**, or by such later date as allowed in accordance with section 269ZHI of the Act.<sup>3</sup> The SEF will set out the essential facts on which I propose to base a recommendation to the Minister. Interested parties are invited to lodge submissions in response to the SEF within 20 days of the SEF being placed on the public record.

### **Report to the Minister**

Submissions received in response to the SEF will be taken into account in preparing the report and recommendation to the Minister. A recommendation to the Minister will be made in a report on or before **5 March 2021** (or such later date as allowed under section 269ZHI of the Act).

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<sup>3</sup> On 14 January 2017, the powers and functions of the Minister under section 269ZHI of the Act were delegated to the Commissioner of the Anti-Dumping Commission. Refer to Anti-Dumping Notice No. 2017/10 for further information.

**Anti-Dumping Commission contact**

Enquiries about this notice may be directed to the case manager on telephone number +61 3 8539 2441 or by email to: [investigations1@adcommission.gov.au](mailto:investigations1@adcommission.gov.au).

Dale Seymour  
Commissioner  
Anti-Dumping Commission

1 October 2020