

Australian Government Department of Industry, Innovation and Science

ANTI-DUMPING NOTICE NO. 2017/172

Certain Wire Rope

Exported to Australia from the Republic of South Africa

Findings in relation to a dumping investigation

Public notice under subsections 269TG(1) and (2) of the Customs Act 1901

The Commissioner of the Anti-Dumping Commission (the Commissioner) has completed the investigation into the alleged dumping of certain wire rope ("the goods"), exported to Australia from the Republic of South Africa (South Africa).

<u>The goods:</u>

The goods the subject of this investigation are stranded wire rope, alloy or non-alloy steel, whether or not coated or impregnated, having both of the following:

- Not greater than 8 strands;
- Diameter not less than 58mm and not greater than 200mm,

with or without attachments.

Further information regarding the goods is outlined below:

- (i) Stranded steel wire rope is rope and strand made of high carbon wire (whether or not containing alloys);
- (ii) The strand or rope can also be sheathed or impregnated and sheathed respectively in plastic or composites;
- (iii) The wires can be layered-up in various configurations in order to give the strand or rope the desired physical properties;
- (iv) Variances can include:
 - strand diameter;
 - number of wires;
 - wire finish (e.g. typically black but may be galvanised);
 - wire tensile grade;
 - type of lubricant;
 - strand or rope length; and
 - whether or not an attachment is included (but not limited to ferrules and/or beckets).
 - (v) Cores may be made of:
 - natural or synthetic fibre; or
 - Independent Wire Rope Cores ("IWRC"), which may or may not be

sheathed or impregnated in plastic.

Typical uses include applications such as dragline hoist, drag and dump ropes, and shovel hoist, crowd and retract ropes.

Goods excluded from this investigation are:

- stranded wire rope that is stainless steel as defined under Note (e) "Stainless steel" to the Tariff;
- stranded wire rope with more than 8 strands, regardless of diameter; and
- stranded wire rope less than 58mm or greater than 200mm in diameter, regardless of the number of strands.

Tariff classification

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

Tariff classification				
Tariff code	Statistical code	Unit	Description	
7312.10.00	91 and 92	Kilograms (kg)	Stranded wire, ropes, cables, plaited bands, slings and the like, of iron or steel, not electrically insulated: 91:Of a diameter exceeding 50 mm but not exceeding 100 mm 92:Of a diameter exceeding 100 mm	

These tariff classifications and statistical codes may include goods that are both subject and not subject to this investigation. The listing of these tariff classifications and statistical codes are for convenience or reference only and do not form part of the goods description. Please refer to the goods description for authoritative detail regarding goods the subject of this investigation.

The Commissioner reported his findings and recommendations to me in *Anti-Dumping Commission Report No. 401* (REP 401), in which he outlines the investigations carried out and recommends the publication of a dumping duty notice in respect of the goods. I have considered REP 401 and accepted the Commissioner's recommendations and reasons for the recommendations, including all material findings of fact or law on which the Commissioner's recommendations were based, and particulars of the evidence relied on to support the findings.

Particulars of the dumping margin established and an explanation of the methods used to compare export prices and normal values to establish the dumping margin is set out in the following table.

Country	Exporter	Dumping Margin	Method to establish dumping margin
South Africa	All exporters	39.7%	Weighted average export prices were compared with weighted average corresponding normal values over the investigation period in accordance with subsection 269TACB(2)(a) of the Customs Act 1901.

I, CRAIG LAUNDY, Assistant Minister for Industry, Innovation and Science and the Parliamentary Secretary to the Minister for Industry, Innovation and Science,¹ have considered, and accepted, the recommendations of the Commissioner, the reasons for the recommendations, the material findings of fact on which the recommendations are based and the evidence relied on to support those findings in REP 401.

I am satisfied, as to the goods that have been exported to Australia, that the amount of the export price of the goods is less than the normal value of those goods and because of that, material injury to the Australian industry producing like goods would have been caused if securities had not been taken. Therefore under subsection 269TG(1) of the Act, I <u>DECLARE</u> that section 8 of the *Customs Tariff (Anti-Dumping) Act 1975* (the Dumping Duty Act) applies to:

- (i) the goods; and
- (ii) subject to sections 45 and subsection 269TN(2) of the Act, like goods that were exported to Australia on or after 16 August 2017, which is when the Commonwealth took securities following the Commissioner's Preliminary Affirmative Determination published on 14 August 2017 under section 269TD of the Act, but before the publication of this notice.

I am also satisfied that the amount of the export price of like goods that have already been exported to Australia is less than the amount of the normal value of those goods, and the amount of the export price of like goods that may be exported to Australia in the future may be less than the normal value of the goods and because of that, material injury to an Australian industry producing like goods has been caused. Therefore under subsection 269TG(2) of the Act, I DECLARE that section 8 of the Dumping Duty Act applies to like goods that are exported to Australia after the date of publication of this notice.

This declaration applies in relation to all exporters of the goods and like goods from South Africa.

The considerations relevant to my determination that dumped goods have materially injured the Australian wire rope industry are the size of the dumping margins, the effect of dumped imports on prices in the Australian market and the consequent impact on the Australian industry including:

- loss of sales volume;
- loss of market share;
- price suppression;
- loss of profits;

¹ On 19 July 2016, the Prime Minister appointed the Parliamentary Secretary to the Minister for Industry, Innovation and Science as the Assistant Minister for Industry, Innovation and Science. For the purposes of this decision the Minister is the Parliamentary Secretary to the Minister for Industry, Innovation and Science.

- reduced profitability;
- reduced sales revenue;
- reduced ROI;
- reduced capacity utilisation;
- reduced employment; and
- reduced productivity.

In making my determination, I have considered whether the Australian industry is being injured by a factor other than the exportation of dumped goods, and I have not attributed injury due to other factors to the exportation of those dumped goods.

Interested parties may seek a review of this decision by lodging an application with the Anti- Dumping Review Panel, in accordance with the requirements in Division 9 of Part XVB of the Act, within 30 days of the publication of this notice.

Particulars of the export prices, non-injurious prices and normal values of the goods (as ascertained in the confidential tables to this notice) will not be published in this notice as they may reveal confidential information.

Clarification about how measures and securities are applied to 'goods on the water' is available in ACDN 2012/34, available at <u>www.adcommission.gov.au</u>.

REP 401 and other documents included in the public record may be examined at the Anti-Dumping Commission office by contacting the case manager on the details provided below. Alternatively, the public record is available at <u>www.adcommission.gov.au</u>.

Enquiries about this notice may be directed to the case manager on telephone number +61 2 8539 2409 or email <u>investigations3@adcommission.gov.au</u>.

16th day of December Dated this 2017

CRAIG LAUNDY Assistant Minister for Industry, Innovation and Science Parliamentary Secretary to the Minister for Industry, Innovation and Science