



Australian Government
**Department of Industry,
Innovation and Science**

Anti-Dumping Commission

Mr Paul O'Connor
Panel Member, Anti-Dumping Review Panel
C/- ADRP Secretariat

By email: ADRP@industry.gov.au

20 August 2018

Hollow structural sections from four countries – ADRP Review 88

Dear Mr O'Connor,

I write with regard to the notice under section 269ZZI of the *Customs Act 1901* (the Act) published on 20 July 2018, advising of your intention to review the decision of the Assistant Minister for Science, Jobs and Innovation to publish a notice under subsection 269ZDB(1)(a)(iii) of the Act (the reviewable decision). The reviewable decision was published on the website of the Anti-Dumping Commission (the Commission) on 6 June 2018 (Anti-Dumping Notice 2018/74 refers).

I understand that certain information has already been supplied to you through conferences with Commission officers. Further to those conferences, this submission provides additional information relating to the claim by the Taiwanese exporter, Ursine Steel Co Ltd (Ursine), that the Commission erred in determining normal values using domestic selling prices for like goods which were not the most comparable to the exported goods.

Ursine's submission is that the most appropriate comparison for a hollow structural section (HSS) product exported to Australia is a domestic HSS product made from the same grade of hot-rolled coil (HRC). The Commission does not agree with this submission.

Where sales of identical products are not made on the export and domestic markets, the Commission focusses on factors impacting on price to determine the most appropriate domestic model to match with an exported model. In the case of HSS, the Commission's experience has informed it that the minimum yield strength of the goods is an important factor impacting on price and therefore, along with other price related factors such as finish and diameter, is an important matching criterion.

In the Commission's view, it is the minimum yield strength that drives the market value for the product, notwithstanding that, due to the nature of steelmaking, the actual yield strength of products can be above the minimum strength by varying degrees. Because one grade of HRC can be used to produce a number of HSS products satisfying a

UNCLASSIFIED

range of minimum yield strengths, it does not follow that all HSS products made from the same grade of HRC are automatically the most comparable.

The exported and domestic products that Ursine claims are the most comparable have significantly different minimum yield strengths. In the Commission's view this makes them an unsuitable match. The Commission considers that the domestic product used to compare with the HSS exported to Australia is a more appropriate match in terms of minimum yield strength and therefore, when combined with other price-related matching criteria, provides for the fairest comparison between domestic and export selling prices.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Dale Seymour". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Dale Seymour
Commissioner
Anti-Dumping Commission

20 August 2018