

17 February 2023

Mr Frank Schoneveld
Panel Member
Anti-Dumping Review Panel
C/ - Legal, Audit & Assurance
Department of Industry and Science

BY EMAIL

Dear Panel Member Schoneveld,

ADRP Review No. 2023/165 – Hot Rolled Coil Steel exported from Taiwan

AUSTRALIAN INDUSTRY SUBMISSION – PUBLIC FILE

I. Introduction

BlueScope Limited (**BlueScope**) refers to the Anti-Dumping Review Panel (**ADRP**) notice of 18 January 2023 commencing a review of a decision by the Minister for Industry and Science to secure the continuation of the anti-dumping measures pursuant to section 269ZH(1) of the *Customs Act 1901 (the Act)*¹ in respect of Hot Rolled Coil Steel (**HRC and/or the goods**) from Taiwan (**the Reviewable Decision**).

This submission is made in accordance with Section 269ZZJ(a) of the Act.

The Reviewable Decision was published on the Anti-Dumping Commission (**the Commission**) website on 25 November 2023 (ADN 2022/109 refers). The application for review of the Reviewable Decision was made on behalf of the Australian exporter China Steel Corporation (**CSC and/or the applicant**).

The sequence of events that resulted in the application for review of the Reviewable Decision are detailed as follows:

- By application to the Commission on 26 November 2021, BlueScope applied for the continuation of the dumping duty notice for imports of HRC from Taiwan.
- In response, the Commission initiated a continuation inquiry on 4 January 2022 (**CON 594**).
- On 22 August 2022, the Commission published the Statement of Essential Facts (**SEF 594**).
- On 9 November 2022, the Commission published the final determination (**REP 594**).

II. Grounds for review

The Review Panel is satisfied that the following ground is a reasonable ground for the Reviewable Decision not being the correct or preferable decision:

1. The Minister erred in finding that recurrence of material injury was likely in the absence of measures.

¹ A reference in this submission to “the Act”, or to a “Section”, “Subsection”, or “Subparagraph” is a reference to a Section, Subsection, or Subparagraph of the Act, unless otherwise specified.

Specifically, the applicant contends that:

- a. the Minister erred in determining that material injury caused by dumping was likely in the absence of measures, given the Commission's preference for not estimating a reasonable Non Injurious Price (**NIP**), and not undertaking any meaningful comparative analysis of export prices, NIP's, and industry selling prices;² and consequently that
- b. the available evidence did not support a finding that material injury to the Australian industry was likely to be caused by CSC's future exports of HRC from Taiwan, in the absence of measures.³

BlueScope submits that the applicant's appeal does not represent any true question of what should have been correct or preferable outcomes from the Reviewable Decision, and instead seeks to overturn the careful examination of positive evidence by the Commission and the subsequent determinations by the Minister.

III. NIP Determination

The applicant claims that the Commission preferred to not establish a reasonable NIP during the inquiry period. This can be refuted on a number of fronts, not least of which is that it is a non-sequitur at the outset to assume that the Commission's preference is to not determine a reasonable and legislatively relevant outcome under Australian trade remedies law.

The merits review application states that the decision to set the NIP equal to CSC's normal value was made in the absence of any another reasonable estimate,⁴ and that:⁵

The Commission's inability to calculate a meaningful USP and NIP due to data limitations as highlighted in REP 594, should not prevent the calculation of a reasonable 'NIP estimate' for material injury assessment, even though those same limitations may prevent the imposition of a lesser duty.

...

By failing to calculate a reasonable estimate of the NIP of CSC's exports, the Commission's material injury assessment is flawed as it omits a critical element that would assist in understanding whether resumption of material injury caused by dumping was likely.

Firstly, the supposed limitations encountered by the Commission in settling the NIP as noted by the applicant are in no way data related. The applicants' comments portray that there was somehow a deficiency in the positive evidence on-record during the inquiry. This is not true.

In SEF 594, the Commission referenced its limitations as only relating to how it could best, in the absence of legislative prescription but with reference to the various methods outlined in the Manual,⁶ preliminarily determine the NIP.⁷ Such complexities would be expected in assessing the NIP given the period of time in which the measures have been imposed, the Commission's progressing dumping and injury assessments over this period, and the impact of HRC market conditions in Australian and Taiwan. In REP 594, the Commission noted the same in its final assessment of the NIP.⁸

Secondly, the Panel Member should be well apprised of the Commission's specific NIP methodology considerations during the inquiry. At the SEF 594 stage, the preliminary assessment was that:⁹

² CSC application, p. 12.

³ Ibid, p. 13.

⁴ CSC application, p. 8.

⁵ Ibid, p. 9.

⁶ Dumping and Subsidy Manual, December 2021.

⁷ SEF 594, p. 66.

⁸ REP 594, p. 71.

⁹ SEF 594, p. 66-67.

...the commission found that all goods exported to Australia from Taiwan during the inquiry period were dumped. Accordingly, the commission does not consider it preferable to determine the USP, and therefore NIP, using the Australian industry's domestic prices for like goods sold during the inquiry period. The commission considers that a USP, and therefore NIP, derived using the Australian industry's actual selling prices during the inquiry period would not be effective in preventing the injury, or a recurrence of the injury, caused by dumping.

The commission considered establishing a USP by having regard to prices of like goods sold by the Australian industry during the period 1 October 2018 to 30 September 2019, being a period unaffected by dumping. However, the commission considers that these prices do not reflect the conditions prevailing in the Australian HRC market during the inquiry period. The commission found that prices (including the Australian industry's prices and exporter prices) have increased significantly since Review 528. Accordingly, the commission does not consider it preferable to determine a USP, and therefore NIP, based on the prices prevailing in Review 528.

Given the limitations outlined above, the commission considers that a USP reflecting a constructed selling price (consistent with the method outlined in the Manual) is appropriate and preferable to establishing the USP. In determining the NIP in this inquiry, the commission constructed a USP using the Australian industry's weighted average CTMS of like goods sold during the inquiry period, and applied an amount for profit that reflected the percentage mark-up achieved by the Australian industry in the period 1 October 2018 to 30 September 2019, being a period unaffected by dumping.

Having established a USP, the commission then calculated a NIP for each exporter by deducting from the USP importer profit, SG&A expenses and into-store costs incurred by the most efficient importer amongst those verified during this inquiry.

The Commission had therefore, at the time of publication of the SEF, considered that Australian like-goods selling prices were not appropriate, but that constructed prices under the hierarchy outlined in Chapter 24 of the Manual were.

In its SEF submission response, BlueScope argued that the profit applied to the Australian industry's CTMS during the continuation period was non-contemporaneous by 15 months, and proposed an alternative consideration of the following requirements of the Manual:¹⁰

Where it is not reasonable to use the price or market approach in establishing USP, the reasons for that position will be outlined in relevant reports. A weighted average of the most recent verified industry cost to make and sell (CTMS) from the current application will generally be used, with a preference for a one year minimum. This allows for fluctuations for seasonal or longer cyclical trends to be taken into account.

Options for determining a reasonable amount for profit are:

- *weighted average profit rate (% mark-up) achieved by the industry in the most recent period unaffected by dumping, with a preference for a one year minimum; or*
- *profit rate (% mark-up) from the Australian industry's similar category of goods (where the data for similar category of goods is verified).*

Where it is unreasonable to use either of the two options above for determining profit, the Commission may consider the use of a profit rate (% mark-up) calculated:

- **with regard to return on investment—where the resultant price is considered reasonable; or**
- **from appropriate profit surveys. [emphasis added].**

¹⁰ The Manual, p. 107.

BlueScope's alternative proposition was that its verified return on investment data be used as the amount for profit in the USP (and therefore the NIP) calculation.

The Commission's final NIP assessment in REP 594 is detailed as follows:¹¹

The commission has reassessed the NIP following consideration of BlueScope's submission of 11 September 2022.

In this inquiry, the commission found that all goods exported to Australia from Taiwan during the inquiry period were dumped. As noted in section 8.6.5 of this report, despite a significant improvement in the Australian industry's price and profit due to the extraordinary market conditions observed during the inquiry period, dumping can have a suppressing or restraining effect on the Australian industry's prices and profit. It is reasonable to assume that in the absence of dumping, prices (and consequently, revenue and profit) would likely have been higher.

Given this, the commission does not consider it preferable to determine the USP, and therefore NIP, using the Australian industry's domestic prices for like goods sold during the inquiry period. Likewise, the commission does not consider it preferable to determine a constructed USP using BlueScope's weighted average CTMS and return on investment achieved in the inquiry period because this period is affected by dumping.

The commission considers that a USP, and therefore NIP, derived using the Australian industry's actual selling prices or return on investment during the inquiry period would not be effective in preventing the injury, or a recurrence of the injury, caused by dumping. The commission considered establishing a USP by having regard to prices of like goods sold by the Australian industry during the period 1 October 2018 to 30 September 2019, being a period unaffected by dumping. However, the commission considers that these prices do not reflect the conditions prevailing in the Australian HRC market during the inquiry period. The commission found that prices (including the Australian industry's prices and exporter prices) have increased significantly since Review 528. Accordingly, the commission does not consider it preferable to determine a USP, and therefore NIP, based on the prices prevailing in Review 528.

Noting BlueScope's concerns outlined in its submission of 11 September 2022, the commission also does not consider it preferable to determine a constructed USP (as preliminarily determined in SEF 594) using BlueScope's weighted average CTMS in the inquiry period and profit (percentage mark-up) achieved by the Australian industry in the period 1 October 2018 to 30 September 2019. The commission observes that in addition to the Australian industry's prices, the Australian industry's profit increased significantly following the period 1 October 2018 to 30 September 2019. The commission notes that the USP determined using this method results in a USP that is less than the weighted average price achieved by the Australian industry during the inquiry period and is unreasonable when compared with actual prices (including the Australian industry's and importers' prices) achieved in the Australian HRC market during this period, which is affected by dumping. The commission considers that a NIP based on this USP would not be effective in preventing the injury, or a recurrence of the injury, caused by dumping.

Given the limitations outlined above, the commission does not consider it preferable to determine a USP, and therefore NIP, using either the market or constructed price method. The commission also considered determining the NIP using prices of undumped imports (as per the third method as specified in the Dumping and Subsidy Manual), but considers this method not preferable for the following reasons:

- *dumping can occur regardless of whether the goods are subject to anti-dumping measures, and the commission considers it unreasonable to presume that imports are not dumped from countries not subject to such measures*

¹¹ REP 594, p. 70-71.

- *noting that goods imported from Taiwan comprise a significant proportion of the total volume of imports into Australia, prices of HRC imported from countries other than Taiwan were likely influenced by the dumped prices of HRC imported from Taiwan. This is consistent with the observation that prices of HRC imported into Australia from all countries are generally similar and follow a similar trend.*

In the absence of any other reasonable method, the commission considers that the NIP of the goods exported by each exporter should reflect the respective undumped price for each exporter, which is effectively equivalent to the respective normal value ascertained for each exporter. The commission considers that a NIP equivalent to the normal value for each exporter is the minimum price necessary to prevent a recurrence of material injury to the Australian industry caused by dumping. The commission notes that this method is consistent with the method adopted in the original investigation which led to the imposition of the measures.

Between SEF 594 and REP 594, the Commission altered its NIP assessment from that based on constructed selling prices to that based on exporter-specific normal values. In summary then, during the course of the continuation inquiry, the Commission comprehensively considered all of the following NIP determination possibilities:

1. Australian industry's domestic prices for like goods sold during the inquiry period;
2. Australian industry's domestic prices for like goods sold during the period 1 October 2018 to 30 September 2019;
3. constructed selling prices using the Australian industry's weighted average CTMS of like goods sold during the inquiry period, plus profit generated in the period 1 October 2018 to 30 September 2019;
4. constructed selling prices using the Australian industry's weighted average CTMS of like goods sold during the inquiry period, plus profit with reference to industry return on investment;
5. prices of undumped imports (as per the third method as specified in the Dumping and Subsidy Manual); and
6. prices as being equivalent to normal values.

In addition to the final approach being consistent with that adopted in the original investigation that led to the imposition of measures, the above clearly demonstrates that the Commission undertook a measured assessment of the options available and suitable to the complex circumstances and, contrary to the applicant's claim, did in fact calculate a reasonable estimate of the NIP.

The Commission has often concluded that the NIP should equate to the normal value in complex investigation and continuation inquiries. In investigation 370 (**INV 370**) into zinc coated (galvanised) steel exports from India, Malaysia, and Vietnam, the Commission concluded that:¹²

...in this instance determining the NIP based on industry's selling prices in a period unaffected by dumping is not appropriate due to the number of previous cases for this product, including findings of circumvention of anti-dumping measures.

Further that:

The Commission also considers that a constructed price based on BlueScope's production costs incurred during the investigation period plus an amount for profit is not appropriate for similar reasons.

And therefore that:

The Commission considers that in a market unaffected by dumping/subsidisation, it is reasonable to expect that BlueScope would continue to set prices with regard to benchmarked import prices, and its method for assessing these prices would collectively continue. The Commission therefore

¹² REP 370, p. 83-84.

considers that setting the NIP at an undumped/unsubsidised FOB price is the most effective way to remove the effects of dumping and subsidisation.

The Commissioner has determined that the most appropriate NIP in this case is the undumped and or/unsubsidised FOB export price for each exporter. As duty set at this level would be equal to that collected under the dumping margin, the lesser duty rule does not come into effect.

The NIP in INV 370 was the normal value for each exporter determined in the exporting countries.

In continuation inquiry 505 (**CON 505**) into hot rolled structural sections exported from Japan, Korea, Taiwan, and Thailand, the Commission adopted the approach taken in the earlier variable factors review 449 (**REV 449**) that the NIP should continue to be set equal to the normal value.¹³ REV 449 was such that:¹⁴

The Commission has found in this review that the Australian HRS market is affected by dumping and considers that historical sales data is not a suitable method for calculating the USP.

In the original investigation, it was determined that the cost plus profit approach was not suitable for the determination of the USP because a correlation between the profit rate proposed by the applicant and HRS sales could not be established.

The Commission considers this to be the case for this review as well. The Commission has not found there to be a suitable method of determining the USP and considers that the approach to determining the NIP in REP 223 and in Review 465 remains valid for the purpose of this review.

The Commission considers that the NIP for all exporters should be a price equal to the respective normal value. As such, the NIP for each exporter has changed but is not operative and therefore does not affect the effective rates of duty set out in Table 8 of this report.

Similar to the inquiry the subject of this appeal, CON 505's NIP determination aligned to the methodology adopted in the original investigation. Review 465 mirrored this approach also.

In continuation inquiry 504 (**CON 504**) into power transformers from Indonesia, Taiwan, and Thailand, the Commission considered that:¹⁵

...power transformers are complex items of capital equipment built to the specifications of the purchaser, where it is unlikely that any two power transformers are identical. Accordingly, neither sales nor constructed USPs are considered an appropriate method for calculating NIPs for power transformers. In the absence of reliable information to establish a USP using one of the primary methods outlined above, the Commission considers that it is appropriate to recommend that NIPs for power transformers exported to Australia be set by reference to the corresponding normal values.

...

The Commission considers that the presence of dumped imports in the market both immediately prior to, and during the tender negotiation, make tender prices for that contract unsuitable for deriving a USP from industry selling prices.

In continuation inquiry 487 (**CON 487**) into certain utility scale wind towers from China and Korea, the Commission concluded the following in its NIP determination:¹⁶

- *wind towers supplied by the Australian industry are unique in their technical specifications and differ considerably to the wind towers imported from overseas;*

¹³ Report No. 505, p. 32.

¹⁴ Report No. 449, p. 53.

¹⁵ Report No. 505, p. 61-63.

¹⁶ Report No. 487, p. 51.

- each OEM-related entity has a range of tower designs unique to its needs (driven mostly by the turbine requirements) and the project characteristics, and these tower designs differ significantly by cost and price; and
- there are a range of free issue items, including flanges and internals that affect the cost and final pricing of the wind tower.

The Commission has concluded that, given the unique design of each wind tower, it is not practicable to calculate a meaningful USP under any of the Commission's usual three approaches. Therefore, the Commission considers that it is appropriate to recommend that the NIP of the goods exported to Australia be set by reference to the corresponding normal values during the inquiry period. As a result the NIP is not operative for all exporters.

Granted there exists a difference between made to order capital goods (such as power transformers and certain utility scale wind towers), and commodity steel products (such as HRC), yet the point the Commission continually makes in such NIP assessments, and all others as described above, is that a correct, preferable and legislatively compliant outcome requires a considered examination of the facts of each inquiry. It is therefore clear that the Commission has made a reasonable NIP assessment in CON 594.

The applicant argues that the Commission could have estimated the industry's NIP by reference to an outlier profit in the Unsuppressed Selling Price (**USP**) calculation.¹⁷ Presumably, though not stated, this outlier profit would apply to the Commission's initial SEF 594 USP methodology. This outlier profit suggestion, as forming part of the NIP assessment methodology that was amended between the SEF and final report, should not be accepted by the Panel Member as holding any weight vis-à-vis the correct and preferable outcomes of REP 594 and the NIP assessment approaches taken elsewhere by the Commission.

IV. Continuation of the measures

The Act requires the Commissioner to recommend expiry of the measures, unless there is positive evidence to demonstrate that the recurrence of dumping and consequent material injury in the future is likely or probable (in other words, implying a greater degree of certainty that the event will occur than a finding that the event is not "not likely"). This interpretation is confirmed in the Commission's Dumping and Subsidy Manual, and accords with findings by the ADRP, the Federal Court and WTO dispute bodies.

Given the evidentiary threshold for establishing the likelihood test outlined in subsection 269ZHF(2), the evidence gathered and presented by the Commission in REP 594 strongly supports its recommendation that the dumping duty notice continue to apply to exports by Taiwanese producers, and consequently to the applicant.

In its SEF 594 response, BlueScope articulated that:¹⁸

...the expiration of the measures would be likely to lead to a recurrence of material injury that the measures are intended to prevent; Taiwanese export HRC volumes to Australian will increase, and prices will fall, in the absence of measures. The positive evidence within the Commission's SEF 594 analysis in-and-of-itself supports this proposition, and the consequent highly probable outcome that Taiwanese export prices will fall below non-injurious levels. BlueScope supports this proposition further with a quantitative data-driven forward-looking assessment, and qualitative economic considerations to permit the Commission to reach the informed conclusion that the measures must be retained.

REP 594 concludes that Taiwanese (and therefore the applicant's) exports are likely to continue at dumped and materially injurious levels given the following positive evidence:

¹⁷ CSC application, p. 12.

¹⁸ SEF 590 response submission, p. 4.

1. exports of the goods to Australia from Taiwan continued following the imposition and continuation of the measures in 2012 and 2017 respectively, and consistently comprised a significant proportion of the total HRC imported into Australia;¹⁹
2. Taiwanese exporters have maintained distribution links to the Australian market;²⁰
3. Taiwanese exporters have spare production capacity between 8% and 26%, are export oriented, and are highly reliant on international markets;²¹
4. dumping occurred during the inquiry period;²²
5. Taiwanese exporters have exported goods at dumped prices at various points throughout the life of the measures;²³ and
6. the significant increase in export prices during the inquiry period is unlikely to be sustained as the effects of the pandemic on supply and demand recede and the Australian HRC market normalises.²⁴

In its application for this merits review, the applicant offers several reasons as to why the measures are no longer warranted,²⁵ concluding with the statement that:²⁶

*In summary, CSC contends that positive evidence available to the Commission, demonstrated that injury was not experienced by BlueScope, **imports continued to be exported above the prevailing floor price, and continued to be exported above non-injurious levels.** These facts would support a finding that HRC exports by CSC are non-injurious and the measures are not warranted. [emphasis added].*

In continuation inquiries, significant weight is placed on the exporters Australian export selling prices via-a-vis applicable floor prices and forward view expectations on whether prices, in the absence of measures, would or would not be injurious.

Firstly, in responding to CSC's claims during the inquiry that it consistently exported the goods to Australia above the prevailing floor price, the Commission assessed in REP 594 that:²⁷

- *Contrary to CSC's and Shang Chen's claims that they have consistently exported the goods above the floor price, the commission found that:*
 - *the price of some goods exported by CSC **was lower than the floor price** in the December quarter in 2020 and the March quarter in 2021 (the first quarter of the inquiry period), **resulting in the payment of IDD** on those goods, and*
 - *the price of some goods exported by Shang Chen was lower than the floor price in effect during the first quarter of the inquiry period, resulting in the payment of IDD.*

*The commission further found that the **lower export prices** in the first quarter of the inquiry period coincided with **significant dumping margins** for both CSC and Shang Chen in this particular quarter, and also coincided with increased volumes of the goods exported to Australia by each exporter. [emphasis added].*

¹⁹ REP 590, p. 51.

²⁰ Ibid.

²¹ Ibid, p. 52.

²² Ibid, p. 54.

²³ Ibid.

²⁴ Ibid.

²⁵ CSC application, p. 10-11.

²⁶ Ibid, p. 11-12.

²⁷ REP 594, p. 67.

Yet, the applicant has again made the claim in its merits review application that its exports are consistently above the floor price – and because of this, the measures are redundant.²⁸

The Commission has already confirmed that certain of the applicant's exports fell below the floor price. The notion of the measures being redundant can also be countered – the fact that the applicant actually paid interim dumping duties during the CON 594 inquiry period renders this argument null and void.

Secondly, a multitude of qualitative and quantitative evidence was provided during the inquiry that CSC's exports will in fact be injurious if the measures are removed. Specific to the quantification of Taiwanese export pricing in the absence of measures and where these prices are likely to trade in the Australian market in the medium term as compared to non-injurious prices, in its SEF 594 response BlueScope articulated that global, regional, and domestic HRC (and associated cold-rolled and metallic coated steel) prices were forecast to fall significantly over the next 12-18 months. In relevant part:²⁹

According to [commercial-in-confidence data source], actual world HRC selling prices realised since the end of the continuation inquiry period have already fallen by [XX]% (cold rolled steel (CRC), and hot-dipped galvanised (HDG) steel prices have also fallen, by [XX]% and [XX]% respectively) [footnote omitted]. Monthly forecast data to August 2023 indicates a full price decline for world HRC prices, from the end of the continuation inquiry period, of [XX]% (CRC and HDG prices will decline by a full [XX]% and [XX]% respectively).

The Far East Asian HRC price, as the most relevant Taiwanese proxy, has declined by [XX]% since December 2021 (CRC and HDG have declined by [XX]%) [footnote omitted]. Monthly forecast data to August 2023 indicates a full price decline for east Asian HRC, from the end of the continuation inquiry period, of [XX]% (CRC and HDG prices will decline by a full [XX]% and [XX]% respectively).

BlueScope applied the above HRC price forecast declines to Taiwanese HRC normal values to determine approximate Taiwanese home-market HRC pricing for [commercial-in-confidence forecast range]. Deducting from this price the average Taiwanese dumping margin found in CON 594 provided a forecast view of Taiwanese HRC Australian export prices in the medium term. This price was then compared to the Australian industry NIP (under both the then Commission's SEF methodology, and the alternative proposed by BlueScope in its SEF response). It categorically highlighted that Taiwanese exports prices would fall below non-injurious levels.

Taking the quantification further, BlueScope established an alternative forecast view based on the IDD rates for Taiwanese exporters originally determined by the Commission in INV 188. These higher rates are a verified indication of levels of dumping in the absence of measures. Applying these yielded lower still HRC export prices in the absence of continued measures, well below non-injurious levels.

This type of analysis is analogous to the 'threshold analysis' which the applicant argues the Commission did not undertake during the inquiry. The applicant claims that the Commission ought to have undertaken such an exercise to understand the likelihood of the Australian industry achieving price ranges proportional to the margin between CSC's AEP and NIP found in SEF 594.³⁰

BlueScope instead submits that such a threshold analysis was in fact considered by the Commission. The level of HRC selling prices achieved by Australian industry is and will continue to be heavily influenced by import parity prices. REP 594 found that:

BlueScope operates an import benchmark pricing strategy, or import parity pricing (IPP). Known import offers in the market are used to determine at what level to set its selling price, but also as a tool by customers to negotiate lower prices.³¹

...

²⁸ CSC application, p. 11, paragraph 4.

²⁹ SEF 590 response submission, p. 4.

³⁰ CSC application, p. 12.

³¹ REP 594, p. 23.

...the commission observes that from January 2017 to June 2022 inclusive, import offers referenced in BlueScope's IPP benchmark were predominantly from Taiwan, which is consistent with the commission's finding that imports from Taiwan remain the largest source of imports into Australia relative to all other countries including China and Korea. In almost all months examined from January 2017 to June 2022 inclusive, there was at least one import offer from Taiwan, which is not consistently observed for all other countries.³²

In 42 of the 66 months examined from January 2017 to June 2022 inclusive, import price offers from Taiwan were either the lowest import offer, or were the only import offer in that particular month and therefore was the only offer used in the IPP benchmark in that month. Of the 47 months where there were import offers from Taiwan and other countries, Taiwan was the lowest offer in 24 of those months. This is consistent with the commission's finding outlined above that generally, the lowest landed price was of goods imported from Taiwan. Given this, and irrespective of whether or not the price comparison is undertaken at the model level, the generally lower-priced Taiwanese offers are used by BlueScope to benchmark its own prices and ultimately these Taiwanese prices influence BlueScope's selling prices.³³

Such positive evidence could only have led the Commission to conclude that Taiwanese (and therefore CSC) Australian landed export prices would be lower again still in the absence of measures, causing material injury. The forward-looking threshold analysis provided, alongside all other positive evidence on record, therefore indicates that the Commission made the correct and preferable assessment.

V. Conclusion

The positive evidence before the Commission supports a finding that material injury to the Australian industry is likely to be caused by future exports of HRC from Taiwan (and therefore CSC), in the absence of measures.

Specific to the applicants claims, but contrary to its assertions, the above has evidenced that the Commission correctly and preferably established the NIP with reference to exporter normal values, and correctly and preferably made the recommendation to the Minister to secure the continuation of the anti-dumping measures.

Should you have any queries in relation to this submission, please do not hesitate to contact me on [REDACTED].

Kind regards,

[REDACTED]

³² REP 594, p. 56.

³³ Ibid, p. 57.